

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5302
COMPANY NAME : AURELIUS TECHNOLOGIES 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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Directors ("Board" or "Directors") of Aurelius Technologies Berhad ("ATech" or "Company") holds ultimate accountability and responsibility for the stewardship of the Company and its subsidiaries (collectively referred to as the "Group") and provided leadership within a framework of prudent and effective controls, which enable the risk to be appropriately assessed and managed.</p> <p>The Board has established various Board committees to facilitate the execution of its duties. Each committee has its own Terms of Reference ("TOR") to facilitate the execution of its roles and responsibilities.</p> <p>The Board's responsibilities are stipulated under paragraph 5.1 of the Company's Board Charter, which is available on the Company's website at https://www.atechgroup.com.my and is subject to periodic review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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 Chairperson of ATech’s Board, Dato’ F’ng Meow Cheng, is an Independent Non-Executive Director (“INED”). Her profile is outlined under the Board of Directors’ Profile on page 7 of the Company’s Annual Report for the Financial Year Ended 31 December 2024 (“FYE Dec 2024”).</p> <p>Among the key responsibilities of the Chairperson is responsible for the overall leadership and efficient functioning of the Board.</p> <p>The detailed roles and responsibilities of the Chairperson of the Board are specified under paragraph 5.2 of the Board Charter, which is available on the Company’s website at https://www.atechgroup.com.my and is subject to periodic review.</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.

Application	:	Applied
Explanation on application of the practice	:	<p>The position of the Chairperson of the Board and Group Chief Executive Officer ("Group CEO") is held by two different individuals to ensure the balance of power, accountability, and division of roles and responsibilities of the Board and management.</p> <p>The position of the Chairperson of the Board is held by Dato' F'ng Meow Cheng, an INED, while the Group CEO is Mr Loh Hock Chiang.</p> <p>The details of the roles and responsibilities of the Chairperson of the Board and the Group CEO are specified in the Board Charter, which is available on the Company's website at https://www.atechgroup.com.my and is subject to periodic review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
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Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The Chairperson of the Board, Dato' F'ng Meow Cheng, is not a member of the Audit Committee ("AC"), Nomination Committee ("NC") or Remuneration Committee ("RC") and did not participate/attend in any of the aforesaid Board Committees' meetings held during FYE Dec 2024.</p> <p>The Chairpersons of the respective Board committees will provide an update and/or brief the Board on the matters discussed at the respective committee meetings.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is supported by a Company Secretary, who is qualified to act as Company Secretary under Section 235 of the Companies Act 2016 ("CA2016") and is registered as a holder of the Practising Certificate issued by the Companies Commission of Malaysia under Section 241 of the CA2016. The Company Secretary is an Associate Member of the Malaysian Institute of Chartered Secretaries and Administrators.</p> <p>The Company Secretary provides the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role concerning the Company's Constitution, Board's policies, and procedures as well as compliance with all regulatory requirements, codes, guidance, and legislation.</p> <p>The key responsibilities carried out by the Company Secretary during FYE Dec 2024 are as follows:</p> <ul style="list-style-type: none">• Coordinated with the Board on the meeting agenda and schedule.• Managed all Board, Board committee, and general meetings' meeting procedures.• Attended and recorded minutes of all Board and Board committee meetings.• Briefed and updated the Board on the amended CA2016, latest changes on Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), Malaysian Code on Corporate Governance ("MCCG"), and ATech's compliances with these.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board and Board committees are committed to their duties and will be prepared before each meeting and responsive to requests for guidance and/or approval from management on matters reserved for the Board and Board committees. The Board recognises that the timeliness and quality of the information supplied affects the effectiveness of the Board in overseeing the conduct of the business and evaluating the management performance of the Group.</p> <p>ATech maintains a corporate calendar comprising meeting dates for the Board, Board committees, and the Annual General Meeting ("AGM").</p> <p>Meeting materials are usually circulated to the Board members within a reasonable period of time before each meeting. Management and external advisors were also invited to brief and provide additional information or clarification in meetings of the Board and Board committees, to enable further explanations and/or clarifications to be presented for deliberations and decisions at Board and Board committees.</p> <p>Key decisions are made in Board meetings, with circular resolutions limited to matters that arise for decisions after the meetings, to formalise matters which have been discussed during Board meetings, or for matters that require Board's approval. All circular resolutions passed are tabled at the Board meeting for notation.</p> <p>The minutes of the meeting record the Directors' deliberations, discussions, and decisions that took place. Upon conclusion of the meeting, the Company Secretary will ensure that accurate and proper records of the proceedings and resolutions passed are recorded and the minutes are circulated to the Board and Board Committees' members for review and confirmation.</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 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 purpose of the Board Charter is to promote high standards of corporate governance within the Group and to clarify, among others, the roles and responsibilities of the Board, Chairperson of the Board, Group CEO, Group Chief Financial Officer ("Group CFO"), Independent Directors ("IDs") and Board committees. The Board Charter serves not only as a reminder of the Board's roles and responsibilities but also as a guiding framework for the Board fulfilling its fiduciary and leadership functions.</p> <p>The Board Charter is reviewed periodically to ensure it remains consistent with the Board's objectives and align with the updated practices of the MCGG and MMLR of Bursa Securities that may have an impact on the discharge of the Board's duties and responsibilities. In its last review on 28 June 2023, the Board also considered the guidance provided in the Corporate Governance Guide (4th Edition) published by the Bursa Securities on 13 December 2021.</p> <p>The Company's Board Charter is available on the Company's website at www.atechgroup.com.my and is subject to periodic review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to creating an environment whereby ethics and professionalism are placed in the highest priority in line with good corporate governance practices.</p> <p>The Board has defined its Code of Business Conduct and Ethics ("CBCE Policy"), serve as a tool for all Directors and employees to meet the high ethical business standards and their conduct with regards to businesses of the Group to achieve the following objectives: -</p> <ul style="list-style-type: none">• to emphasize the Group's commitment to ethics and compliance with the relevant laws, rules and regulations;• to avoid practices that may impair the Group's integrity, impartiality, and reputation; and• to establish a culture where Employees feel confident to share ethical problems and voice out concerns regarding potential misconduct. <p>Among the key ethical conducts and practices of the CBCE Policy is the strict prohibition of insider trading, bribery, and corruption. It also bars employees from giving or receiving gifts or favours that could influence their judgment or create conflicts of interest.</p> <p>For the FYE Dec 2024, there were no cases of non-compliance and breach of ethical issues reported within the Group.</p> <p>The CBCE Policy can be accessed on the Company's website at www.atechgroup.com.my and is subject to periodic review by the Board.</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	:	<p>The Group has in place a Whistleblowing Policy (“WBP”) which sets out the disclosure procedures and protection for whistle-blowers to meet the Group’s ethical obligations. Employees and stakeholders are encouraged to raise any serious concerns they have on any suspected misconduct or malpractices without fear of victimisation in a responsible manner rather than avoiding or overlooking them.</p> <p>For the FYE Dec 2024, there were no whistleblowing cases reported through the whistleblowing reporting channel within the Group.</p> <p>On 26 November 2024, the Board had reviewed and approved the amendments to the WBP and it is available for reference on the ATech’s website at www.atechgroup.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's commitment to sustainability is built through a top-down approach in robust governance practices, led by the Board, as the highest governing body in overseeing the integration of Economic, Environment, Social and Governance ("EESG") matters in the Group's strategies.</p> <p>The Sustainability Management Committee ("SMC") and Sustainability Working Team ("SWT") were established since 2022 to strengthen the sustainability governance structure. The SMC is chaired by the Group CFO, who assists the Board in strategically reviewing the progress of the organisation's EESG matters and when necessary, recommending new initiatives to improve the EESG matters performance. The SMC is represented by Director of Sustainability and Governance ("DSG") and various Heads of Departments ("HODs").</p> <p>During FPE Dec 2023, the SWT was restructured into two distinct entities: the (1) Sustainability Team and (2) Implementation Team. Under the purview of the SWT are the Sustainability Team and Implementation Team, led by the DSG and HODs respectively, including members from middle management across the organisation. The Sustainability Team is responsible for full-time management and implementation of the organisation's sustainability plan, while the Implementation Team handles the implementation of plan/initiatives and department data gathering.</p> <p>For the FYE Dec 2024, the Board has appointed Mr Yee Swee Meng, an INED, as a representative within the SMC to oversee the Group's sustainability activities. This appointment has strengthened governance and accountability in SMC.</p> <p>Information on key material sustainability matters ("MSMs") and initiatives are disclosed in the Sustainability Statement of the Annual Report FYE Dec 2024.</p>

Explanation for departure :		
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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 Company has addressed the Group's sustainability strategies, priorities and performance against the key material sustainability matters targets, and these information are publicly communicated via the Sustainability Statement of the Annual Report FYE Dec 2024.</p> <p>The Company also actively engages with our stakeholders on sustainability matters through other platforms and channels which include internal townhall meetings, corporate events, quarterly investor relations meetings, Annual Report, AGM, and via ATech's website.</p> <p>Details of stakeholder engagement methods are set out in the Company's Sustainability Statement on the page 27.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is cognisant that Directors are expected to have a strong understanding and be able to engage with management in addressing sustainability-related risks. The Board members also keep themselves apprised with relevant sustainability developments, which includes factors driving climate change and achieving a sustainable business model through presentation of updates, reading, discussions and various training programmes throughout the FYE Dec 2024.</p> <p>The Board often received updates from the management during quarterly Board meetings on the Company's sustainability initiatives and progress from time to time, including relevant training attended by the key employees in relation to sustainability information, knowledge and latest updates.</p> <p>Looking ahead, the Board remains committed to staying abreast with sustainability issues associated with the ever-evolving business environment in which ATech operates in, including supply-chain risk, supporting labour rights, among others. This may include but is not limited to internal and external training and development programs attended by Board members, as well as reading materials and relevant information from local and international guidance and standards released by institutions such as the Institute of Corporate Directors Malaysia (ICDM), national policy or framework on sustainability, International Financial Reporting Standards (IFRS) Foundation, European Union ("EU") Supply Chain Act, EU & UK Carbon Border Adjustment Mechanism (CBAM), and EU Corporate Sustainability Reporting Directive (CSRD) which was shared by the management to the Board members.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 4.4

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

Application	:	Applied	
Explanation on application of the practice	:	The management had established the Remuneration Policy and Procedures for Directors and senior management and incorporated the EESG goals as one of the elements in performance evaluation for the Board and senior management.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- 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>	
Application	: Adopted
Explanation on adoption of the practice	<p>The Board oversees strategy, direction, and sustainability performance, and has formed a SMC chaired by the Group CFO, assisting the Board Committees in strategically managing the organisation's EESG matters.</p> <p>The SMC and SWT were established since 2022 to strengthen the sustainability governance structure. The SMC is chaired by the Group CFO, who assists the Board in strategically reviewing the progress of the organisation's EESG matters and when necessary, recommending new initiatives to improve the EESG matters performance. The SMC is represented by DSG and various HODs.</p> <p>During FPE Dec 2023, the SWT was restructured into two distinct entities: the (1) Sustainability Team and (2) Implementation Team. Under the purview of the SWT are the Sustainability Team and Implementation Team, led by DSG and HODs respectively, including members from middle management across the organisation. The Sustainability Team is responsible for full-time management and implementation of the organisation's sustainability plan, while the Implementation Team handles the implementation of plan/initiatives and department data gathering.</p>

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>In line with the MCCG, the Board through the NC performs an annual review of the Board's composition to determine if the Board has the appropriate set-up concerning size, diversity, mix, and independence in accordance with the NC's TOR.</p> <p>The NC and the Board remain mindful that to be effective, its composition must include the right people, with the appropriate mix of skills, knowledge, experience, and independence to achieve the objectives and strategic goals. The NC and the Board will continue to perform annual assessments of each individual Director and evaluate the need to bring new skills and perspectives to the boardroom, as and when the need arises.</p> <p>The NC conducted the annual assessment with respect to the performance and contribution of the Board, Board committees, and individual Directors. The NC was satisfied that the Company has a well-balanced Board with its members having diverse skill sets and core competencies, the Directors had discharged their duties and responsibilities in the year under review and the Board Committees had discharged their functions in accordance with their respective TOR.</p> <p>The NC is also satisfied on its assessment of the independence of the IDs.</p> <p>The NC also ensures that a proposal for the annual re-election of the retiring Director at the AGM should be contingent on the satisfactory evaluation of that Director's performance and contribution to the Board resulting from the annual Board assessment results. The NC has assessed and received affirmation by way of Director's declaration of fit and proper from the Directors who will retire by rotation pursuant to the Constitution of the Company.</p> <p>Following the NC's review after due consideration and deliberation, the Board recommended the proposed re-election of the retiring Directors, Dato' F'ng Meow Cheng and Encik Nor Shahmir Bin Nor Shahid at the Company's Third ("3rd") AGM held on 7 June 2024.</p>

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

Intended Outcome

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

Practice 5.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board currently consists of six (6) members, comprising three (3) Independent Non-Executive Directors (“INEDs”), one (1) Non-Independent Non-Executive Director (“NINED”) and two (2) Executive Directors (EDs), and also one (1) Alternate Director.</p> <p>The Board viewed that the Board comprises of high calibre individuals who bring a wealth of experience and knowledge within their respective individual capabilities, perspectives, and insights from different fields of industries.</p> <p>In line with the Board’s commitment to independence, the AC, NC, RC, and Risk Management Committee (“RMC”) are chaired by IDs. Each committee also comprises a majority of IDs to ensure that the respective committees remain objective and able to exercise its functions as set out in the TOR. The Chairperson of the respective committees encourages active participation and deliberations for matters put forth to the committees and/or the Board. The Board is satisfied that the IDs have demonstrated the required level of independence in acting impartially and in the best interest of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board Charter has set out the policy that the tenure of IDs shall not exceed a cumulative term limit of nine (9) years.</p> <p>No IDs has served a cumulative term limit of more than nine (9) years as of the date of the Annual Report FYE Dec 2024.</p> <p>The Board Charter is available on the Company’s website at www.attechgroup.com.my.</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

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

Practice 5.4 - Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NC is responsible for assessing the appointment of new Directors and members of the Board committees. The NC is also responsible for assessing and recommending suitable candidates for directorship to the Board, and would assess candidates based on qualifications, related experience, professional achievements, and unique skill sets including time commitment. Further, the NC will also require pre-background and pre-screening checks to be performed on the candidate prior to recommendation for appointment to the Board.</p> <p>The Board is committed to upholding high standards of governance in respect of new appointments to the Board to ensure that the Directors of the Company are comprised of those who have the necessary skills, competencies, commitment, character, integrity, and experience to complement and enhance the effectiveness of the Board as a whole.</p> <p>The Board has adopted the fit and proper policy as a guide where the appointment of Directors, as well as senior management, is to be based on objective criteria, merit, and with due regard for diversity in skills, experience, age, cultural background, and gender.</p> <p>Senior Management personnel are hired based on a set of evaluation criteria and merits that encompass diverse skills and experience. The Senior Management staff possess substantial qualifications and industry expertise, particularly in electronic manufacturing services, which is essential to Group's core business operations.</p>
Explanation for departure	:	
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Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The NC consists of two (2) INEDs and one (1) NINED.</p> <p>The NC is tasked by the Board to make independent recommendations for selection and appointments to the Board. In making these recommendations, the NC assesses the suitability of the candidate, taking into account the Board's required mix of skills, diversity, knowledge, industry exposure, expertise and experience, professionalism, integrity, competencies, time commitment, and other relevant qualities of the candidates, before recommending their appointments to the Board for approval.</p> <p>The Board is mindful of this Practice and would consider utilising independent sources to identify suitable qualified candidates in the future.</p> <p>Based on the current size of the Group, the sourcing of candidate(s) via recommendations made by the existing Board members and management would be a better option as it provided much efficiency and effectiveness by saving time and resources.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group is poised to commit to maintaining high standards of corporate disclosure and transparency. The profiles of the Directors are made available on the website and Annual Report FYE Dec 2024. In line with this aspiration, the Board endeavours to provide timely and transparent disclosures, releasing all required/material announcements as soon as possible.</p> <p>The Board recognises the importance of leveraging effective communication platforms such as the website and Annual Report to provide clear, accurate, and valuable insights on the Group's performance and position to its shareholders. This allows shareholders to make informed decisions with respect to the business of the Group, including appointments and re-appointments of Directors.</p> <p>The assessment relating to the re-election of Directors was reviewed by the NC and recommended to the Board for approval. The Board, after considering several factors such as performance, merit, and calibre of the retiring Directors based on evaluation conducted by the Board Committees on each retiring Director, has agreed to the NC's recommendation and recommended such resolutions for shareholders' approval at the AGM.</p> <p>The NC's TOR can be accessed on the Company's website at www.atechgroup.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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 5.8

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

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by Mr Yee Swee Meng, an INED. His profile is stated in the Board of Directors' Profile section of the Annual Report FYE Dec 2024. The NC's TOR can be viewed at www.atechgroup.com.my .	
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 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	The Board currently comprises two (2) female Directors and four (4) male Directors, which constitutes 33.3% female representation on the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.10

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has delegated the power to the NC through its TOR to recommend to the Board the appropriate balance in gender diversity.</p> <p>In addition, the Board Charter outlines the Company's commitment to have at least 30% or 1-woman Director participation at the Board level and majority of INEDs to provide check and balance as well as effective oversight of management.</p> <p>As of the date of the Annual Report FYE Dec 2024, the Board comprises 33.3% female presentation. The Company will continue to cultivate an inclusive culture, and offer equal opportunities for career development and advancement, regardless of gender, ethnicity, disability, age, and culture and diversity of workforce by attracting diverse talent for its overall organisation (including senior management).</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

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through the NC, undertakes annual evaluations to determine the effectiveness of the Board, Board committees, and each individual Director.</p> <p>The NC takes into consideration the level of responsibilities, time commitment, and contribution of Directors during Board and Board committees' meetings as well as Board committees' composition, roles, and responsibilities, including any recommendation for each Director.</p> <p>The assessment result of each individual Director was tabled to the Board and NC. Overall, all Directors have performed well in the execution of their fiduciary duties and achieved satisfactory results for the execution of responsibilities, time commitment, and contribution to the Group.</p> <p>Each Director retiring at the AGM is also evaluated by the NC before recommending to the Board to support their re-election. Directors seeking re-election are also required to complete the declaration of fit and proper.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has a Remuneration Policy & Procedures to facilitate the RC to evaluate, review, consider, and recommend to the Board for decision on the remuneration packages for the Executive Directors and senior management.</p> <p>Directors' fees and benefits are to be approved at the AGM by shareholders annually. The RC will evaluate and thereafter, recommend a competitive remuneration for Directors. The remuneration for INEDs and NINEDs will be based on, amongst others, but not limited to their expertise and experience, participation in the Board activities, commitment required to perform the identified roles, and responsibilities assumed taking into consideration the overall performance of the Group.</p> <p>In addition, the level of remuneration will also be benchmarked against ATech's comparable companies in the similar industry as well as the overall achievement of individual Key Performance Indicators.</p> <p>The Group is committed to provide competitive total compensation opportunities that attract, reward, and motivate Directors and Senior Management to deliver outstanding performances. The remuneration policy and practices supports the ATech's overall strategy and link individual remuneration with the ATech's performance in both financial and non-financial aspects.</p> <p>The Remuneration Policy & Procedures and RC's TOR are available on the ATech's website, www.atechgroup.com.my and are subject to periodic review.</p>
Explanation for departure	:	

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

Intended Outcome

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

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

Practice 7.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The TOR of RC outlines a process on the recommendation to the Board on annual remuneration packages and benefits extended to the Directors and senior management, taking into account the performance, expertise, and responsibilities of each individual as well as corporate performance, experience, and responsibilities in managing the material sustainability risks and opportunities.</p> <p>The composition of the RC is as follows:</p> <ul style="list-style-type: none">• Mr Yee Swee Meng (<i>Chairperson/INED</i>)• Encik Nor Shahmir Bin Nor Shahid (<i>Member/INED</i>)• Ms Jamie Hwe Ping Lee (<i>Member/NINED</i>) <p>The RC's TOR can be viewed at www.atechgroup.com.my and was last reviewed on 27 February 2025.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The remuneration for Non-Executive Directors comprises fees and meeting allowance.</p> <p>The remuneration received by each Director during the FYE Dec 2024 is set out in the table below.</p>

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	Dato' F'ng Meow Cheng (Chairperson)	Independent Director	45.80	15.60	-	-	-	-	61.40	45.80	15.60	-	-	-	-	61.40
2	Mr Loh Hock Chiang	Executive Director	-	-	-	-	-	-	-	-	-	720.00	430.50	24.02	-	1,174.52
3	Encik Nor Shahmir Bin Nor Shahid	Independent Director	39.00	13.50	-	-	-	-	52.50	39.00	13.50	-	-	-	-	52.50
4	Mr Yee Swee Meng	Independent Director	39.00	16.20	-	-	-	-	55.20	39.00	16.20	-	-	-	-	55.20
5	Mr Tan Chong Hin	Executive Director	-	-	-	-	-	-	-	-	-	600.00	430.50	-	-	1,030.50
6	Ms Jamie Hwe Ping Lee	Non-Executive Non-Independent Director	39.00	13.00	-	-	-	-	52.00	39.00	13.00	-	-	-	-	52.00
7	Mr Jonathan Ming Chian Lee (Alternate Director to Ms Jamie Hwe Ping Lee)	Non-Executive Non-Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
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11	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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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

Intended Outcome

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

Practice 8.2

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Board believes that the disclosure of senior management's remuneration on a named basis is not in its best interests given the sensitivity of such information and the intense competition for talent in the industry. Senior management's remuneration is determined based on internal and external benchmarking studies.</p> <p>The disclosures of senior management's remuneration that include the key management personnel in the Audited Financial Statements are adequate.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Company will consider providing the detailed disclosure of the top five senior management personnel's remuneration in the future as part of the Company's commitment to heightened transparency.	
Timeframe	:	Others	5 years

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The positions of the Chairperson of the Board and the AC are held by separate individuals. The Chairperson of the Board is Dato' F'ng Meow Cheng, while the Chairperson of the AC is Encik Nor Shahmir Bin Nor Shahid.</p> <p>The AC's TOR can be viewed at www.atechgroup.com.my and was last reviewed on 27 February 2025.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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>The TOR of the AC have established that a former key audit partner is required to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC. None of the current members of the AC is a former key audit partner of the Group.</p> <p>The AC's TOR can be viewed at www.atechgroup.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>As stated in the TOR of the AC, the AC is to assess the competence, audit quality, independence and suitability of Messrs Grant Thornton Malaysia PLT ("External Auditors") and the appropriateness of audit fees to support the quality of audit. The AC carried out the following activities during the FYE Dec 2024:</p> <p>(a) assessed the competencies, the audit quality, the independence and the suitability of the External Auditors and the fees thereof.</p> <p>(b) reviewed and discussed with the External Auditors, key audit matters and management's responses.</p> <p>(c) had discussed other matters with the External Auditors without the attendance of the management.</p> <p>These formed part of the AC's assessment of the suitability, objectivity and independence of the External Auditors. Based on the outcome of its assessment, the AC recommended to the Board for the shareholders' approval for the re-appointment of External Auditors at the upcoming AGM.</p> <p>The AC's TOR can be viewed at www.atechgroup.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied	
Explanation on application of the practice	:	<p>Encik Nor Shahmir Bin Nor Shahid and Mr Yee Swee Meng are members of the Malaysian Institute of Accountants (MIA) and Ms Jamie Hwe Ping Lee is a member of CPA Australia.</p> <p>All members of the AC are financially literate and have undertaken continuous professional development and training during the FYE Dec 2024 as disclosed in the Corporate Governance Overview Statement (CGOS) in the Annual Report FYE Dec 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 make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has in place an ongoing process and has established a framework for identifying, evaluating, monitoring, and managing the significant risks affecting the Group. The Board reviews the adequacy and integrity of the Group's system of internal controls on a continuous basis.</p> <p>During FYE Dec 2024, the internal audit function was performed by an outsourced Internal Auditor ("IA"), who reports directly to the AC and provides an independent assessment of the adequacy, efficiency, and effectiveness of the Group's internal control system and processes.</p> <p>The Board has Risk Management Executive Committee ("RMEC") which reports directly to RMC. The RMEC remains responsible for identifying, evaluating, and monitoring risks, ensuring appropriate and timely mitigation actions are taken.</p> <p>A comprehensive disclosure of the Group's risk management and internal control framework is provided in the Statement on Risk Management and Internal Control within the Annual Report FYE Dec 2024.</p> <p>The RMC's TOR can be viewed at www.atechgroup.com.my and was last reviewed on 26 November 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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	:	<p>The Board has established and developed an Enterprise Risk Management framework to achieve the following objectives:</p> <ul style="list-style-type: none">• communicate and disseminate across the organisation the vision, role, and direction of the Group;• identify, assess, evaluate and manage the various principal risks which affect the business of the Group;• create a risk-awareness culture and risk ownership for more effective management of risks; and• formulate a systematic process of reviewing, tracking, and reporting on key risks identified and corresponding mitigation procedures. <p>A risk analysis of the Group is conducted on a regular basis including the constant review of the process of identifying, assessing, evaluating, monitor and review the impacts of the risk on the operation and business. The process requires management via HODs to comprehensively identify and assess all types of risks in terms of likelihood and magnitude of impact as well as to address the adequacy and application of mechanisms in place to manage, mitigate, avoid, or eliminate these risks.</p> <p>In conducting its review, the process is periodically reviewed by the Board via the RMC with the assistance of the outsourced independent consulting professionals when necessary to further review and improve the existing internal control processes within the Group. The Group will continue to focus on the key risks and its corresponding controls to ensure that risks are addressed and managed effectively as and when it arises, which is crucial in the current dynamic and competitive business environment.</p> <p>The RMC's TOR can be viewed at www.atechgroup.com.my and was last reviewed on 26 November 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 make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

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

Practice 10.3 - Step Up

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

Application	:	Adopted
Explanation on adoption of the practice	:	<p>The RMC comprises a majority of INEDs, to oversee the Group's risk management framework and policies.</p> <p>The RMC's TOR was last reviewed on 26 November 2024 and can be found at www.atechgroup.com.my.</p>

Intended Outcome

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

Practice 11.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Group has outsourced its internal audit function to an outsourced independent IA, who assists both the Board and the AC by conducting independent assessments on the adequacy and operating effectiveness of the internal control system of the Group. To ensure independence from the management, the IA reports directly to the AC.</p> <p>The review of the internal audit activities in FYE Dec 2024 covered the Material Reject Bay (MRB) areas of BCM Electronics Corporation Sdn. Bhd.</p> <p>All audit findings were highlighted to management for determination of the next course of action. A summary of audit findings was reported to the AC along with management's remedial actions.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 11.2

The board should disclose—

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group has appointed an outsourced IA, Mr Mogan A/L Karupiah to provide the internal audit services for the Group.</p> <p>He holds an Electrical Engineering and Master of Engineering in Manufacturing Management from the University of South Australia. He also possesses vast experience working of thirty-five (35) years in several functions in Production Engineering, Test Engineering, Quality Engineering, and Research and Development (R&D) from Telecommunications, Radio Frequency (RF), Audio, Computer Peripherals, and Consumer Electronics products.</p> <p>He is also a certified ISO9001: 2008 Lead Auditor and conducted many trainings such as Statistical Process Control (SPC), Lean Management, Knowledge Management Trainings, Compliance to European Standards, UL certification, Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), Restriction of Hazardous Substances (RoHS) compliance, ISO9001, IATF16949, TL9000, ISO13485, ISO14001, Electrostatic Discharge (ESD) Compliance and many more throughout his service.</p> <p>The internal audit function has been mandated to continually assess and monitor the Group's system of internal control. The internal audit function adopts a risk-based approach and prepares its audit strategy and plans based on the risk profiles of individual business units of the Group. Premised on the performance assessment by the AC and feedback from the Management Team, the AC is satisfied that the IA is free from any relationships or conflicts of interest with those involved which could impair their objectivity and independence and are capable of carrying out internal audit reviews.</p> <p>The appointed IA involved has no family relationships with the Directors or Company which could result in a conflict of interest and/or impairment of the objectivity and independence during the internal audit review.</p>

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

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of communications with its stakeholders and remains committed to upholding high standards of transparency and promotion of investor confidence through the provision of comprehensive, accurate, and quality information on a timely basis.</p> <p>The Investor Relations Policy ("IR Policy") was established on 29 September 2023, outlining internal processes and procedures, while also communicating to shareholders and stakeholders how the company intends to keep them informed of material developments and maintain effective communication.</p> <p>The Group has established a website at www.atechgroup.com.my which provides the shareholders and public access to information in relation to the Group's activities, EESG, corporate matters, announcements and financial reports released to Bursa Securities and other investors' relations matters. Further, shareholders and the public may submit inquiries and feedback on the same website.</p> <p>The IR Policy was last reviewed and approved by the Board on 29 August 2024. More detailed information regarding stakeholder engagement methods can be found in the Sustainability Statement, which is available in the Annual Report FYE Dec 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The notice of the AGM is provided to shareholders at least 28 days before the date of the AGM to give shareholders adequate time to prepare and make the necessary arrangements to attend the AGM.</p> <p>The notice for the forthcoming 4th AGM to be held on 30 May 2025 was issued to shareholders on 30 April 2025.</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

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>All Directors attended in person the 3rd AGM of the Company held on 7 June 2024, at the Townhall of ATech, Plot 21, Jalan Hi-Tech 4, Kulim Hi-Tech Park, Phase 1, 09090 Kulim, Kedah, except for Mr Loh Hock Chiang, the Executive Director and Group CEO, who was absent from this meeting due to COVID-19. Despite his absence, the Chairperson of the Board and the Chairpersons of AC, NC, RMC, RC, and members were available to provide meaningful responses to shareholders' queries.</p> <p>All questions raised were addressed during the 3rd AGM.</p> <p>The Company remains committed to ensuring full Board attendance at all General Meetings.</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

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

Practice 13.3

Listed companies should leverage technology to facilitate—

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company conducted its 3rd AGM on 7 June 2024 physically at the Townhall of ATech, Plot 21, Jalan Hi-Tech 4, Phase 1, Kulim Hi-Tech Park, 09090 Kulim, Kedah.</p> <p>The Company has engaged Tricor Investor & Issuing House Services Sdn Bhd ("TIIH") to verify shareholders or their proxies with a unique access link to attend the 3rd AGM before the meeting date.</p> <p>In addition, the detailed instructions on how to lodge the proxy form electronically via TIIH's online website were included in the Administrative Guide ("Guide") in the Annual Report FYE Dec 2024. The Guide could also be downloaded from the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
		Please specify number of years.

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Applied
Explanation on application of the practice	:	<p>At the commencement of the 3rd AGM held on 7 June 2024, the Chairperson briefed the members, corporate representatives, and proxies on their right to pose questions and vote on the resolutions as set out in the Notice of the 3rd AGM.</p> <p>The 3rd AGM was conducted in physical and an open session was held for questions for the Board or Management. The Chairperson made sure that there was enough time for the Board and management to answer questions from shareholders during the 3rd AGM, ensuring that satisfactory responses were provided.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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.

provide brief reasons on the choice of the meeting platform.			
Application	:	Not applicable – only physical general meetings were conducted in the financial year	
Explanation on application of the practice	:		
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

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Minutes of the 3rd AGM held on 7 June 2024 were published on the Company's website at www.atechgroup.com.my , within 30 business days after the conclusion of the 3rd AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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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