

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5302
COMPANY NAME : AURELIUS TECHNOLOGIES BERHAD
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES 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”) assumes ultimate accountability and responsibility for the stewardship of the Company and its subsidiaries (collectively referred to as “Group”) and provides leadership within a framework of prudent and effective controls which enables 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 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>Dato' F'ng Meow Cheng was appointed as the Chairperson of the Board on 28 July 2023, replacing Datin Normaliza Binti Kairon. She has a strong background and experience in governance. Her profile can be viewed on page [xx] of the Company's Annual Report 31 December 2023.</p> <p>The role of the Chairperson is specified in the Board Charter. Among the key responsibilities, the Chairperson is responsible for leadership, instilling good governance, ensuring the orderly conduct of the Board, and the effectiveness of all aspects of its role. The Chairperson represents the Board and acts as a facilitator at the meetings of the Board to ensure that no Board member dominates the discussion, appropriate discussion takes place, relevant opinions among Board members are forthcoming and decisions are arrived at after due consideration.</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	:	
<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 1.3

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 (“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 Independent Non-Executive Director, 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>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees’ meetings, by way of invitation, then the status of this practice should be a ‘Departure’.</i>	
Application :	Applied
Explanation on application of the practice :	<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”).</p> <p>Dato’ F’ng Meow Cheng resigned as the member/ Chairperson of the Audit Committee, Nomination Committee, and Remuneration Committee in line with Practise 1.4 of the Malaysian Code of Corporate Governance issued by the Securities Commission Malaysia on 28 April 2021 (“MCCG”). She was a member/ Chairperson of the respective Board Committees from 2 April 2021 to 27 July 2023.</p> <p>Following this transition, the Chairperson of the Board no longer attends or participates in any of the Board committees’ meetings. 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 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 the financial period from 1 February 2023 to 31 December 2023 (“FPE Dec 2023”) 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 meetings, and general meetings’ meeting procedures. • Attended and recorded minutes of all Board and Board committee meetings. • Briefed and updated the Board on the new CA2016, latest changes on Listing Requirements and Malaysian Code on Corporate Governance (“MCCG”) and their applications.
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 discharge their duties by attending meetings and responding 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 affect 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 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	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<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 (“CFO”), Independent Directors and Board committees. The Board Charter serves not only as a reminder of the Board’s roles and responsibilities but also as a general statement of intent and expectation as to how the Board discharges its duties and responsibilities.</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 Malaysian Code on Corporate Governance and Main Market Listing Requirements of Bursa Malaysia Securities Berhad that may have an impact on the discharge of the Board’s duties and responsibilities. The Board Charter was last reviewed by the Board on 28 June 2023.</p> <p>The Board also took into consideration the guidance provided under the Corporate Governance Guide (4th Edition) issued by the Bursa Securities on 15 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	:		
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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 Code of Business Conduct and Ethics Policy was in place to set high standards for all Directors and employees, demanding ethical behaviour and compliance with laws. It strictly prohibits 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 FPE Dec 2023, there were no cases of non-compliance and breach of ethical issues reported within the Group.</p> <p>The Code of Business Conduct and Ethics Policy 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	:		

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 whistleblowers 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>The WBP was last reviewed and approved by the Board on 29 September 2023.</p> <p>For FPE Dec 2023, there were no whistleblowing cases reported within the Group.</p> <p>The WBP is available for reference on the Company’s website at www.attechgroup.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 has adopted a top-down approach in sustainability governance structure, established since 2022, and is led by the Board, which oversees the Group's overall sustainability strategy, direction setting, and performance.</p> <p>To support this approach, the sustainability governance structure was strengthened in the third quarter of 2022 by establishing the (1) Sustainability Management Committee ("SMC") and (2) Sustainability Working Team ("SWT"). The SMC chaired by the CFO, assists the Board Committees in strategically managing the organization's EESG matters. The SMC is represented by the Director of Sustainability and Governance ("DSG"), and selected Heads of Departments ("HODs").</p> <p>During FPE Dec 2023, the SWT has been restructured into two distinct entities: the (1) Sustainability Team and (2) Implementation Team. Under the oversight of the SWT are the Sustainability Team and Implementation Team, led by the DSG and HODs respectively, including members from middle management across the organization. The Sustainability Team is responsible for full-time implementation of the organization's sustainability plan, while the Implementation Team handles the department's plan implementation and data gathering.</p> <p>Information on key sustainability matters and initiatives are disclosed in the Sustainability Statement of the Annual Report 31 December 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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 also performance against the targets, and this information is publicly communicated via the Sustainability Statement of the Annual Report 31 December 2023.</p> <p>The Company also actively engages with our stakeholders on sustainability matters through other platforms and channels which include internal Townhall meetings, corporate organized events, quarterly investor relations meetings, Annual Report, AGM, and 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	:		

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 keep themselves apprised with relevant sustainability developments through presentation of updates, reading, and also discussions.</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 assisting the SMC.</p> <p>The Board is committed to staying abreast with sustainability issues associated with the ever-evolving operating environment which are relevant to its business, including supply-chain risk, supporting labour rights, and 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 such as from 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 and Carbon Border Adjustment Mechanism (CBAM), which was shared by the management to the Board members.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 ESG 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.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	: 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 organization’s EESG matters.</p> <p>The sustainability governance structure was strengthened in the third quarter of 2022 by establishing the (1) Sustainability Management Committee (“SMC”) and (2) Sustainability Working Team (“SWT”). The SMC is represented by the Director of Sustainability and Governance (“DSG”), and selected Heads of Departments (“HODs”).</p> <p>During FPE Dec 2023, the SWT has been restructured into two distinct entities: the (1) Sustainability Team and (2) Implementation Team. Under the oversight of the SWT are the Sustainability Team and Implementation Team, led by the DSG and HODs respectively, including members from middle management across the organization. The Sustainability Team is responsible for the full-time implementation of the organization’s sustainability plan, while the Implementation Team handles the department’s plan implementation and 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 Terms of Reference.</p> <p>The NC and the Board are 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 Board 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 Terms of Reference.</p> <p>The NC also ensures that a recommendation 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.</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, one (1) Non-Independent Non-Executive Director and two (2) Non-Independent Executive Directors, 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 Audit, Nomination, Remuneration, and Risk Management Committees are chaired by Independent Directors. Each committee also comprises a majority of Independent Directors to ensure that the respective committees will provide their objective oversight functions and significant contributions to support the Board. 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 Independent Directors have demonstrated the required level of independence in acting impartially and in the best interest of the Company.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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 Independent Directors shall not exceed a cumulative term limit of nine (9) years.</p> <p>No Independent Director has served a cumulative term limit of more than nine (9) years as of the date of the Annual Report 31 December 2023.</p> <p>The Board Charter is available on the Company's website at www.attechgroup.com.my.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.4 - 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	:	N/A

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 the efficiency and 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>The Board presently does not have any gender policies in its evaluation of candidacy and assessment of the performance of the Board as a whole or the Directors individually for Board appointments, and performance as a Director is on integrity, skills, and experience as well as contribution to the Group.</p> <p>The Board is aware of the recommendations set out in the MCCG and will evaluate the gender policies from time to time, and if found suitable and necessary, adopt them as the Group's policies.</p> <p>The Senior Management personnel are hired based on a set of objective criteria that encompass diverse skills and experience. The Senior Management personnel possess substantial qualifications and industry expertise, particularly in electronic manufacturing services, which is essential to the 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 Independent Non-Executive Directors and Non-Independent Non-Executive Directors.</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>On 28 July 2023, the Board appointed an Independent Non-Executive Director, Mr. Yee Swee Meng as the New NC Chairperson replacing Dato' F'ng Meow Cheng, and appointed a Non-Independent Director, Ms Jamie Hwe Ping Lee as a member of the NC.</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 member would be a better option as it provided much efficiency and effectiveness by saving time and resources.</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 5.7

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 31 December 2023. 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 taking into consideration the NC's recommendation, approved the proposal based on the performance, merit, and calibre of the Directors based on the evaluation conducted and recommended the resolutions for shareholders' approval at the AGM.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	<p>The NC is chaired by Mr Yee Swee Meng, an Independent Non-Executive Director.</p> <p>His profile is stated in the Board Profiles section of the Annual Report 31 December 2023.</p> <p>The NC's Terms of Reference can be viewed at www.attechgroup.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

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 Terms of Reference 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.</p> <p>As of the date of the Annual Report 31 December 2023, the Board comprises 33.3% female representation. 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	:		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to 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 the 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 considered by the NC before recommending to the Board to support their re-election. Directors seeking re-election will be requested to re-confirm their consent to seek re-election.</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 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 Independent Non-Executive Directors and Non-Independent Non-Executive Directors will be based on, amongst others, but not limited to criteria, expertise and experience, time commitment, workload, and responsibilities assumed taking into consideration the overall performance of the Group.</p> <p>In addition, the level of remuneration will also be benchmarked with comparable positions among other similar Malaysian companies 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 employees to deliver outstanding performances. The remuneration strategy and practices support the overall strategy and link individual remuneration with the Company in both financial and non-financial aspects.</p> <p>The Remuneration Policy & Procedure can be viewed 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 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 Terms of Reference 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 of each individual as well as corporate performance, experience, responsibilities including taking into consideration 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/Independent Non-Executive Director</i>)• En Nor Shahmir Bin Nor Shahid (<i>Member/Independent Non-Executive Director</i>)• Jamie Hwe Ping Lee (<i>Member/Non-Independent and Non-Executive Director</i>) <p>The RC's Terms of Reference can be viewed 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

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

Practice 8.1

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

Application	:	Applied
Explanation on application of the practice	:	The remuneration for Non-Executive Directors comprises fees and meeting allowance. The remuneration received by each Director during the FPE Dec 2023 is set out in the 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	Datin Normaliza Binti Kairon <i>(Retired on 28 Jun 2023)</i>	Independent Non-Executive Chairperson	15.00	5.20	-	-	-	-	20.20	15.00	5.20	-	-	-	-	20.20
2	Mr Loh Hock Chiang	Non-Independent Executive Director and Group CEO	-	-	-	-	-	-	-	-	-	719.25	516.0	23.95	-	1,259.20
3	En Nor Shahmir Bin Nor Shahid	Independent Non-Executive Director	33.00	17.10	-	-	-	-	50.10	33.00	17.10	-	-	-	-	50.10
4	Dato' F'ng Meow Cheng <i>(redesignated to Chairperson on 28 July 2023)</i>	Independent Non-Executive Director	33.00	17.70	-	-	-	-	50.70	33.00	17.70	-	-	-	-	50.70
5	Mr Yee Swee Meng	Independent Non-Executive Director	33.00	15.30	-	-	-	-	48.30	33.00	15.30	-	-	-	-	48.30
6	Mr Tan Chong Hin	Non-Independent Executive	-	-	-	-	-	-	-	-	-	531.11	300.00	-	-	831.11

		Director and Group CFO														
7	Ms Jamie Hwe Ping Lee	Non-Independent Non-Executive Director	33.00	8.00	-	-	-	-	41.00	33.00	8.00	-	-	-	-	41.00
8	Mr Jonathan Ming Chian Lee (Alternate Director to Ms Jamie Hwe Ping Lee)	Non-Independent Non-Executive Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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	:	N/A	
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	:	Within 3-5 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	:	N/A

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	The 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 En Nor Shahmir Bin Nor Shahid.	
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	:	The Terms of Reference 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.	
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 Terms of Reference of the AC, the AC is to assess the competence, audit quality, independence and suitability of the Grant Thornton Malaysia PLT ("External Auditors") and the appropriateness of audit fees to support a quality audit. The AC carried out the following activities during the FPE Dec 2023:</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>	
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	:	Departure	
Explanation for departure	:	Not adopted	
<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 9.5

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>All AC members are members of the Malaysian Institute of Accountants.</p> <p>The members of AC are financially literate. All have undertaken continuous professional development and training during the FPE Dec 2023 as disclosed in the Corporate Governance Overview Statement in the Annual Report 31 December 2023.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<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>The risk management and internal audit function is outsourced to an independent professional service firm, Talent League Sdn. Bhd. (“Talent League” or “Internal Auditors”), who reports directly to the Risk Management Committee and AC respectively, by providing an independent assessment of the adequacy, efficiency, and effectiveness of the Group’s risk management and internal control system and processes.</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 constantly reviewing the process of identifying, evaluating, and putting up necessary action to assess and monitor the impacts of the risk on the operation and business. The process requires management 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 Risk Management Committee 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 corresponding controls to ensure that they are able to respond effectively to the business changes and competitive environment.</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 10.3 - 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	:	Applied
Explanation on application of the practice	:	<p>The Risk Management Committee comprises a majority of Independent Non-Executive Directors, to oversee the Group's risk management framework and policies.</p> <p>The RMC's Terms of Reference can be viewed at www.atechgroup.com.my and is subject to periodic review.</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 independent professional firm, Talent League, which 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 Internal Auditors report directly to the AC.</p> <p>The review of the internal audit activities in FPE Dec 2023 covered the production and quality assurance 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 external professional internal audit firm namely, Talent League to provide the internal audit services for the Group. The Internal Auditors is headed by its executive director, Mr Roy Thean Chong Yew ("Mr Thean"), who is a Chartered Member of Institute of Internal Auditor. Mr Thean is also a member of Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. Mr Thean has more than twenty-three (23) years of audit experience. The number of staff deployed for the internal audit reviews will be three (3) staff. They will perform their works in accordance with a recognised framework such as the International Professional Practices Framework issued by the Institute of Internal Auditors.</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 Audit Committee and feedback from the Management Team, the Audit Committee is satisfied that the Internal Auditors are 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. None of the persons involved have any family relationship 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 is 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 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, corporate matters, announcements and financial reports released to Bursa Securities and other investors' relations matters. Further, shareholders and the public may submit an inquiry with questions or comments on its website.</p> <p>More detailed information regarding stakeholder engagement methods can be found in the Sustainability Statement, which is available in the Annual Report 31 December 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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	:	N/A	
Explanation for departure	:	N/A	
<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 more than 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 3rd AGM to be held on 7 June 2024 was issued to shareholders on 30 April 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

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	:	All Directors attended the 2nd AGM of the Company on 28 June 2023 physically at Townhall of ATech, Plot 21, Jalan Hi-Tech 4, Phase 1, Kulim Hi-Tech Park, 09090 Kulim, Kedah. All the questions raised were addressed during the 2nd 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	:		

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 2nd AGM on 28 June 2023 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 (“Tricor Malaysia”) to verify shareholders or their proxies with a unique access link to attend the 2nd AGM before the meeting date.</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 13.4

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 2nd AGM held on 28 June 2023, 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 2nd AGM.</p> <p>The Chairperson made sure that there was enough time for the Board and management to answer questions from shareholders during the 2nd 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.

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application :	Applied
Explanation on application of the practice :	The Minutes of the 2nd AGM held on 28 June 2023 were published on the Company's website at www.attechgroup.com.my , within 30 business days after the conclusion of the 2nd 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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