

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 5278  
**COMPANY NAME** : Rhone Ma Holdings Berhad  
**FINANCIAL YEAR** : December 31, 2024

## OUTLINE:

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

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

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

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

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

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

### Intended Outcome

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

### Practice 1.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is accountable and responsible for the performance and affairs of the Company by overseeing the Group's strategies, policies and performance. The Board sets the strategic direction ensuring that the necessary resources are in place for the Company to meet its objectives and review management performance. It is the Board's responsibilities to ensure that the Company's strategies are aligned to the interests of our shareholders and other stakeholders. The Board provides leadership within a framework of prudent and effective controls which enable risk to be appropriately assessed and managed.</p> <p>The Company's Board Charter defines the specific duties and responsibilities of the Board which can be found at the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p> <p>In order to effectively discharge its duties and responsibilities, the Board has established specific committees namely Audit and Risk Management Committee, Nominating Committee and Remuneration Committee. Each committee is governed by its respective terms of reference.</p> <p>The Board will then receive update/reports from the respective Chairman/Chairperson of each Committee in relation to the proceedings during the committee meetings.</p> <p>While the responsibility for monitoring the effectiveness of the Group's risk management and internal control systems has been delegated to the Audit and Risk Management Committee, the Board is ultimately responsible for determining the Group's "risk tolerance" and annually receives and considers a report in relation to the monitoring, controlling and reporting of identified risks and uncertainties.</p>

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

### Intended Outcome

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

### Practice 1.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is led by Dato' Hamzah Bin Mohd Salleh, who is an Independent Non-Executive Chairman of the Company. Dato' Hamzah Bin Mohd Salleh possesses the vision and leadership qualities to lead the Board and the Group to ensure that the Board function effectively as well as entrusted with the task of instilling good corporate governance practices.</p> <p>The Chairman's role and responsibilities have been set forth in the Board Charter of the Company.</p> <p>The 2024 Board Evaluation results demonstrated the Directors' trust in and belief that the Chairman has been effective in establishing excellent board dynamics which contributed to the Board working well together as a team.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 1.3**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company's Chairman and Group Managing Director are held by two (2) distinct individuals since the listing of the Company on 19 December 2016 to ensure there is a clear and proper balance of power and authority.</p> <p>The Chairman, Dato' Hamzah Bin Mohd Salleh, leads and manages the Board by focusing on strategy, governance and compliance matters of the Group, whilst the management of the Group has been delegated to the Group Managing Director, Dr Lim Ban Keong who is assisted by the Executive Directors.</p> <p>There is a clear division of responsibilities between the roles of the Chairman and the Group Managing Director, which are set out in the Board Charter of the Company.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Chairman of the Board, Dato' Hamzah Bin Mohd Salleh, is not a member of the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee of the Company as to ensure that there is proper check and balance as well as objective review by the Board on deliberations emanating from the committees.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

## Intended Outcome

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

### Practice 1.5

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by two (2) suitably qualified and competent Company Secretaries, namely Ms Tai Yit Chan and Ms Tan Ai Ning, both are the fellow members of the Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries constantly keep themselves abreast with the regulatory changes and corporate governance development through attending the relevant conferences and training programmes.</p> <p>The Directors have ready and unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Board is regularly updated and advised by the Company Secretaries who are professionally qualified, experienced and knowledgeable on new or revised regulatory requirements as well as corporate governance best practice. In this respect, the Company Secretaries play an advisory role to the Board, particularly with regard to the Company's Constitution, Board policies and procedures, and its compliance with regulatory requirements and advocate adoption of corporate governance best practices.</p> <p>The 2024 Board Evaluation findings indicate that in the level of support given by the Company Secretaries is effective in supporting the Board in the discharge of its duties. The Company Secretaries constantly undertake continuous professional development to keep abreast of relevant corporate governance and regulatory requirement.</p> <p>The roles and responsibilities of the Company Secretaries have been set forth in the Board Charter of the Group, which is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
------------------	---	--	--

### Intended Outcome

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

### Practice 1.6

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The notice of Directors' meeting is given in writing at least seven (7) days prior to the meeting together with the relevant agenda items in order for the Board to have sufficient time to go through the meeting materials so as to have a conducive and meaningful discussion in the meeting.</p> <p>In order to ensure all the Directors are able to attend the Board and Committee meetings, the calendar for the Board and Board Committee meetings is circulated in advance before the commencement of the year which allows the Directors to plan their schedules.</p> <p>Management would be invited to attend the Board and Board Committee meetings as and when necessary so as to provide further details/updates on issues raised.</p> <p>Upon conclusion of the meeting, the minutes are prepared and circulated to the Board for review/comments in a timely manner.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 2.1**

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter has been incorporated into our Group's governance system, documented policies that the Board has decided upon to meet, among others, its responsibilities, governance and leadership as a description tool of how the Board operates. A copy of the Board Charter and the terms of references of the Audit and Risk Management Committee, Remuneration Committee and Nominating Committee are available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p> <p>There is a formal schedule of matters reserved for the Board's consideration and decision which is set out in the Board Charter.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has established a Code of Conduct and a Code of Ethics to promote a corporate culture which engenders ethical conduct that permeates throughout the Group and includes procedures in managing conflicts of interest and prevention of fraudulent activities. The Board reviews the Code of Conduct and a Code of Ethics annually to ensure they always comply with the relevant statutory requirements and updated in accordance to the latest development in governance.</p> <p>The Directors, Management and employees of the Group shall adhere to the Code of Conduct and Code of Ethics to ensure compliance with applicable laws, rules and regulations, to safeguard and ensure the proper use of the assets of the Group and to report on any unlawful and unethical behaviour. Hence, the Group commits to a high standard of professionalism and ethics in the conduct of its business and professional activities.</p> <p>A copy of the Code of Conduct and Code of Ethics are available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p> <p>Subsequent to the introduction of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group had adopted the Anti-Bribery and Anti-Corruption Policy and Procedure to stress the Group's commitment to the highest ethical standards in conducting business dealings.</p> <p>The Board has on 12 November 2024 revised the Conflict of Interest Policy to include provisions for acceptance of a directorship by a key senior management member in another company. Conducting assessments to ensure it would not impact and compromise the individual's performance.</p>

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

**Intended Outcome**

The 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group has a whistleblowing policy setting out procedures to provide all employees of the Group and other interested parties an avenue where genuine concerns related to possible improprieties in matters of financial reporting, compliance and other malpractices can be objectively investigated and addressed. The details on the policy and procedures can be found on the Company’s website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p> <p>The Board is committed to preserve its culture of openness, accountability and integrity when dealing with suspected fraud, corruption, dishonest practices or violation of laws and regulations.</p> <p>During the financial year 2024, there were no whistleblowing cases being reported.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.1

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group has sustainability policy in place and initiatives are undertaken by the Board of Directors with the support of the key management team to direct the Group in managing changes related to environment, social and governance issues as well as integrating them into decision making and delivery of the outcomes.</p> <p>In order to drive the progress in formulating and implementing sustainability strategies of the Group, the Board and key management team are responsible in providing guidance while ensuring alignment of all activities and work streams with the Group's role in society and reviewing the ever-changing societal landscape as well as revising or instituting new policies and initiatives resulting from changes or developments relevant to the Group.</p> <p>In the year 2024, the Company took significant strides in fostering sustainability through the establishment of a Sustainability Working Group ("SWG"). Led by the Group Finance Director, the initiative brought together heads of various departments to plan and execute a wide array of sustainability initiatives tailored specifically for the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 4.2**

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Sustainability strategies, priorities and targets have been integrated into the mission and strategic plan of the Company and communicated to the employees. The employees are made aware that sustainability will be the value driver of the Company and forms part of the Company’s business model going forward.</p> <p>The Annual Report 2024 of the Company includes a Sustainability Statement which discloses the Company’s sustainability strategies, priorities and targets as well as performance and it serves as the main communication tool of the Group’s Sustainability to both internal and external stakeholders.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 4.3**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board continuously keep themselves abreast with and understanding to the sustainability issues through periodical updates by relevant parties such as Securities Commission.</p> <p>The main role of SWG is to formulate environment, social and governance (“ESG”) strategies and keep track of the achievement of sustainability targets endorsed by the Board.</p> <p>The Board will continue to search for suitable sustainability related training programmes which are relevant to the Company and its business so as to equip the Directors with ESG competencies.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 4.4

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company taking cognizance of the fast changing environment in the industry and had in place processes and procedures to measure against the achievement of sustainability targets.</p> <p>The Nominating Committee undertook an evaluation of the performance of the Board and senior management in addressing the Company's material sustainability risks and opportunities.</p> <p>Key criteria used in the assessment of individual Directors during the year were:</p> <ul style="list-style-type: none"> <li>• Presence of a business strategy underpinned by ESG;</li> <li>• Robustness of ESG agendas, deliberations and discussions;</li> <li>• Frequency of discussions on ESG risks and opportunities; and</li> <li>• Monitoring sustainability targets and goals.</li> </ul>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Group Finance Director has been designated to lead the SWG. He provides direction, oversight and guidance throughout the Group to implement to implement sustainability-related projects.</p> <p>He sets the tone to management, taking into account sustainability considerations when implementing Group strategies, business plans and risk management policies/procedures, amongst others.</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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Terms of Reference of the Nominating Committee stipulates that the Nominating Committee shall ensure the composition of the Board is refreshed periodically by reviewing the tenure of each Director and the re-election of a Director should be contingent on satisfactory evaluation of the Director's performance and contribution to the Board.</p> <p>During the year, the Nominating Committee had reviewed and evaluated the effectiveness of the Board as a whole and was satisfied that the Directors have discharged their responsibilities in a commendable manner. The Nominating Committee was also of the view that all the Directors have contributed to robust deliberation and decision making during the Board and Board Committees meetings.</p> <p>The Company has established a Directors' Fit and Proper Policy to ensure a transparent and rigorous process for the appointment and re-election of Directors of the Group. A copy of the Directors' Fit and Proper Policy is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p> <p>The Nominating Committee has assessed the suitability of the Directors who are subject to re-election at the forthcoming Annual General Meeting and satisfied that the retiring Directors meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors of the Company. The Nominating Committee had subsequently proposed the re-election of Directors to the Board for the shareholders' approval at the forthcoming Annual General Meeting of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
------------------	---	--	--

### Intended Outcome

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

### Practice 5.2

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at the date of this report, more than half of the Board comprises Independent Directors. There are currently three (3) Executive Directors and four (4) Independent Non-Executive Directors. Their profiles are set out in the Annual Report 2024. Independent Directors are expected to challenge management proposals constructively and to examine and review management performance in meeting agreed objectives and targets. In addition, they are expected to draw on their own experience and knowledge, where appropriate, in respect of any challenges facing by the Group and in relation to the development of proposals on strategy.</p> <p>The current size and composition of the Board is within a range which is appropriate. We also believe that the current size of the Board is sufficient to ensure the Board Committees are structured properly to assist the Board in the execution of its duties and responsibilities.</p> <p>The spread of age and gender of the Directors reflects the geographical reach of the Group and we consider that the Board as a whole has the appropriate blend of skills, knowledge and experience, from a wide range of industries and backgrounds, which is necessary to lead the Group. None of the Executive Directors is a non-executive director of another listed company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.3**

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Currently, the Company has no independent director serving beyond a cumulative term limit of nine (9) years.</p> <p>Should the Board intend to retain an independent director beyond nine (9) years, the Company shall provide justification and seek annual shareholders' approval during the Annual General Meeting of the Company.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.4 - Step Up**

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

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

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

### Intended Outcome

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

### Practice 5.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company is committed to ensure that the Board and Senior Management are sufficiently diverse and appropriately balanced. This is further supported by the annual assessment carried out by the Nominating Committee. The Board concluded that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the development of the Group.</p> <p>None of the Directors hold more than five (5) directorships in listed issuers. This is to ensure that his / her time commitments would not impair the ability to discharge his / her duties effectively as a Director of the Company.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

### Practice 5.6

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

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	During the year, there was no new appointment of Director. Nonetheless, the Board would utilise independent search firms in identifying suitable candidates for appointment in the future when the need arises.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 5.7

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Shareholders are kept informed on the Board's decision in respect of appointment of director via announcements to Bursa Securities and updating to the Company's website.  The details of directors who are standing for re-election is set out in Directors' Profile. A statement as to whether the Board is supportive to the re-election of Directors together with the justifications is also disclosed in the statement accompanying in the Notice of Annual General Meeting.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 5.8**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Nominating Committee is chaired by an Independent Non-Executive Director, namely Puan Rahanawati Binti Ali Dawam.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	As at 31 December 2024, the Company has two (2) women directors, namely Dr Yip Lai Siong and Puan Rahanawati Binti Ali Dawam, representing 28.6% female representation in the Board. The aforesaid female Board members provide the Board with gender diversity that bring value to the Board's deliberations from the different perspectives and insights of the female Board members.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 5.10**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Group has adopted a diversity policy which outlines its approach in achieving and maintaining diversity (including gender diversity) on its Board of Directors, officers and employees of the Group.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

## Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: During the year, the Board conducted an internally facilitated Board assessment via the Nominating Committee. The results and recommendations from the evaluation of the Board and Committees are reported to the Board for full consideration and actions. The Board was comfortable with the outcome and that the skills and experience of the current Directors satisfy the requirements of the skills matrix and that the Chairman possesses the leadership to safeguard the stakeholders' interest and ensure the Group's profitable performance.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

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

### Practice 7.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has adopted a Directors and Senior Management's Remuneration Policy for the Group's Directors and Senior Management with the main objective of providing fair and competitive remuneration to its Board and Senior Management in order for the Company to attract and retain people of calibre to run the Group successfully.</p> <p>The Board through the Remuneration Committee reviews the Directors and Senior Management's Remuneration Policy annually to ensure it stays competitive in this ever-changing marketplace.</p> <p>A copy of the Directors and Senior Management's Remuneration Policy is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Board had established a Remuneration Committee comprising three (3) Independent Non-Executive Directors in which the responsibilities and duties of the committee are outlined in its Terms of Reference.  A copy of the Terms of Reference of the Remuneration Committee is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

**Practice 8.1**

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the remuneration breakdown of Individual Directors of the Company comprising remuneration received from the Company and subsidiary companies during the financial year ended 31 December 2024 are disclosed in the Annual Report.

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' Hamzah Bin Mohd Salleh	Independent Director	70.00	-	-	-	-	4.80	74.80	90.00	-	-	-	-	-	4.80	94.80
2	Dr Lim Ban Keong	Executive Director	-	-	-	-	-	-	-	-	-	420.00	526.00	23.67	141.87	1,111.54	
3	Mr Foong Kam Weng	Executive Director	-	-	-	-	-	-	-	-	-	-	-	50.88	208.79	259.67	
4	Dr Yip Lai Siong	Executive Director	-	-	-	-	-	-	-	-	-	-	-	49.76	190.39	240.15	
5	Mr Teoh Chee Yong	Independent Director	60.00	-	-	-	-	4.80	64.80	60.00	-	-	-	-	4.80	64.80	
6	Mr Martin Jeyaratnam A/L Thiagaraj	Independent Director	60.00	-	-	-	-	4.80	64.80	60.00	-	-	-	-	4.80	64.80	
7	Puan Rahanawati Binti Ali Dawam	Independent Director	60.00	-	-	-	-	4.80	64.80	80.00	-	-	-	-	4.80	84.80	

### Intended Outcome

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

### Practice 8.2

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

<b>Application</b>	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
<b>Explanation on application of the practice</b>	:	The remuneration of the top five (5) senior management for the financial year ended 31 December 2024 in the bands of RM50,000 are set out as below:	
		<b>Total Remuneration in bands of RM50,000</b>	<b>Name</b>
		RM1,100,001 – RM1,150,000	Dr Lim Ban Keong
		RM450,001 – RM500,000	Chan Yan San
		RM450,001 – RM500,000	Dr Lim Hang Chern
		RM350,001 – RM400,000	Dr Chua Chee Heng
		RM300,001 – RM350,000	Johan Bin Nasir Yeo
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

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

**Intended Outcome**

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

**Practice 8.3 - Step Up**

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

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

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	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.
6	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
7	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**

There is an effective and independent Audit Committee.

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

**Practice 9.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Chairman of the Board and the Chairman of the Audit and Risk Management Committee are held by two (2) distinct individuals since the listing of the Company on 19 December 2016.</p> <p>This ensures that the objectivity on the Board's review of the Audit and Risk Management Committee's findings and recommendations remains intact.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.2**

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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit and Risk Management Committee has included in its terms of reference the requirement of a former key audit partner observing a cooling-off period of at least three (3) years before being appointed as a member of the Audit and Risk Management Committee.</p> <p>None of the members of the Audit and Risk Management Committee are former key audit partners of external audit firm servicing the Company.</p> <p>A copy of the terms of reference of the Audit and Risk Management Committee is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is an effective and independent Audit Committee.

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

### Practice 9.3

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has adopted an External Auditors Assessment Policy which outlines the guidelines and procedures in assessing the suitability, objectivity and independence of the external auditors. The criteria in evaluating the performance of the external auditors, amongst others, include the following:-</p> <ul style="list-style-type: none"><li>(a) Service quality;</li><li>(b) Sufficiency of resources;</li><li>(c) Communication with the Management;</li><li>(d) Independence, objectivity and professionalism;</li><li>(e) Ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;</li><li>(f) The nature of the non-audit fees provided and fees paid for such services related to the audit fee; and</li><li>(g) Whether there are safeguards in place to ensure there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the external auditors.</li></ul> <p>As guided by its terms of reference, the Audit and Risk Management Committee had during the year undertaken an assessment on the suitability, effectiveness and independence of the External Auditors of the Company, namely Messrs BDO PLT based on the feedback from Management. Based on the assessment conducted, the Audit and Risk Management Committee was satisfied with the performance and provision of non-audit services rendered by the External Auditors of the Group for the financial year 2024 which did not in any way impair their objectivity and independence as the External Auditors of the Company. After the review, the Audit and Risk Management Committee recommended to the Board the re-appointment of Messrs BDO PLT as the External Auditors of the Company for the financial year 2024 be tabled to the shareholders for approval at the upcoming Tenth Annual General Meeting.</p> <p>The external auditors has also provided assurance that they have been independent throughout their audit engagement in accordance with all</p>

	relevant professional and regulatory requirements in respect of the Audited Financial Statements of the Group for financial year 2024.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

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

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	The Audit and Risk Management Committee comprises three (3) Independent Non-Executive Directors as disclosed in the Report on the Audit and Risk Management Committee of the Annual Report 2024.

## Intended Outcome

There is an effective and independent Audit Committee.

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

## Practice 9.5

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

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All members of the Audit and Risk Management Committee possess a considerable understanding of financial reporting and auditing processes. They also have the necessary accounting, financial, banking, commercial and capital markets skills required to meet their responsibilities and provide an effective level of challenge to management. Mr Teoh Chee Yong, the Chairman of the Audit and Risk Management Committee is a Chartered Accountant of the Malaysian Institute of Accountants.</p> <p>All Audit and Risk Management Committee members received ongoing training and development as detailed in the Directors' Training section of the Statement on Corporate Governance of the Annual Report 2024.</p> <p>An annual assessment on the performance of the Audit and Risk Management Committee during the term of office was undertaken by the Nominating Committee for financial year 2024 and the Nominating Committee was satisfied with its performance.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 10.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group adopted a Risk Management and internal control framework to continuously identify, evaluate, monitor and to manage significant risks that materially affect the corporate objectives of the Group.</p> <p>The Statement on Risk Management and Internal Control in the Group’s Annual Report 2024 provides further details on the state of the system of internal controls and risk management framework of the Group for the financial year ended 2024.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 10.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has established a framework to formulate and review risk management policies and risk strategies. Further information on the Group’s risk management and internal control framework is presented in the Statement on Risk Management and Internal Control.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

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

**Practice 10.3 - Step Up**

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

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Audit and Risk Management Committee of the Company is responsible for monitoring and reviewing the effectiveness of the Group's Internal Audit function. The Internal Audit function is independent of the external auditors and is outsourced to an independent third party service provider who has a direct reporting line to the Audit and Risk Management Committee. The Internal Auditor attends and reports at each Audit and Risk Management Committee meeting on its work conducted during each quarter as well as its findings, management's responses and recommendations.</p> <p>For further details, please refer to the Report on the Audit and Risk Management Committee.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

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

## Practice 11.2

The board should disclose–

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Internal Auditors reports to the Audit and Risk Management Committee. This reporting relationship supports internal audit independence and objectivity, which assures adequate consideration of audit recommendations and planned corrective actions. The relationship also gives the Internal Audit staff the authority needed for full, free and unrestricted access to any or all operations, records, property and personnel within the Group.</p> <p>The Internal Audit function is carried out in accordance with The International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The function was outsourced to an independent third party service provider, IA Essential Sdn Bhd led by Mr Chong Kian Soon, a qualified professional, with a team made up of ten (10) personnel.</p> <p>They are free from any relationships or conflicts of interest which could impair their objectivity and independence.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

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

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

### Practice 12.1

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

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has formalised a corporate disclosure policy and procedure not only to comply with the disclosure requirements as stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, it also sets out the persons authorised and responsible to approve and disclose material information to all stakeholders.</p> <p>The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report, corporate announcements to Bursa Malaysia Securities Berhad and press conferences. It is the Group's practice that any material information for public announcement, including annual, quarterly financial statements, press releases, and presentation to investors, analyst and media are factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

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

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

**Practice 12.2**

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

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Not applicable as the Company is not a Large Company as defined by the Malaysian Code on Corporate Governance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.1**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The notice of the Annual General Meeting is given to the shareholders at least 28 days prior to the meeting.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

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

**Practice 13.2**

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

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	During the Annual General Meeting of the Company, all Directors will attend the meeting to address any questions from the shareholders.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

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

### Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Tenth Annual General Meeting of the Company was conducted physically at Hotel Armada, Petaling Jaya, which is located within the vicinity of Klang Valley and is easily accessible by shareholders. Besides that, the number of registered shareholders physically attending the General Meetings of the Company is considered small and manageable by the Company. Hence, electronic voting which would incur higher cost is not deemed practicable at this juncture.	
	:	Currently, shareholders whom are unable to attend and vote at the General Meeting of the Company are encouraged to submit the proxy form of the Company to the Share Registrar. Hence, this allows them to vote in absence.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	The Company would leverage on technology advancement when conducting General Meetings in the future when the number of shareholders increase.	
<b>Timeframe</b>	:	Others	To implement only when the number of shareholders increase significantly.
	:		

### 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Chairman ensures that the general meetings serves as an important opportunity for effective communication with and constructive feedback from shareholders.</p> <p>During the Tenth Annual General Meeting, the Group Managing Director, Dr Lim Ban Keong provided shareholders with a brief review on the Company's financial performance and the Group's corporate overview, business updates, future outlook of the Company and the key strategies to be taken by the Company in the near future. Shareholders are then provided with the opportunity to pose questions including but not limited to the financial performance, non-financial performance and strategies of the Company.</p> <p>Dr Lim Ban Keong has also addressed the questions from shareholders by providing meaningful response to every question during the Tenth Annual General Meeting. The questions raised by the shareholders and responses by the Company are minuted and the minutes of the meeting is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a>.</p>
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### Intended Outcome

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

### Practice 13.5

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

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

**Intended Outcome**

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

**Practice 13.6**

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	The minutes of the Tenth Annual General Meeting is available on the Company's website at <a href="http://www.rhonema.com/investors">http://www.rhonema.com/investors</a> no later than 30 business days after the Tenth Annual General Meeting.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

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

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

Click or tap here to enter text.