

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0202
COMPANY NAME : RADIANT GLOBALTECH BERHAD (“RGTECH” OR THE
“COMPANY”)
FINANCIAL YEAR : December 31, 2021

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") is responsible for the performance and affairs of Radiant Globaltech Berhad ("Radiant Globaltech") and its subsidiaries ("Radiant Globaltech Group" or the "Group"). The Board provides necessary leadership which includes practicing a high level of good governance to ensure the long-term success of the Group and the delivery of sustainable value to its stakeholders.</p> <p>In discharging its fiduciary duties and leadership functions, the Board is guided by the Board Charter which was last reviewed, revised and approved by the Board on 16 August 2021 to incorporate the anti-corruption measures and the relevant practices recommended under the Malaysian Code of Corporate Governance ("MCCG").</p> <p>The Board assumes, amongst others, the following responsibilities:-</p> <ul style="list-style-type: none">• Overseeing the conduct and sustainability of the Group's business, assuming the responsibility for succession planning.• Reviewing, adopting and approving the Group's overall strategic direction, business plans, key operational initiatives, annual budget, major acquisitions, disposal of undertakings, capital commitments and funding decisions.• Maintaining a sound system of internal control to safeguard shareholders' investments and the Company's assets and reviewing the adequacy and integrity of the system.• Assess the training needs of the Directors and ensure Directors have access to a continuing education programme.• Responsible for the quality and completeness of the financial statements of the Group and ensuring that they are prepared

	<p>based on the appropriate and consistently applied accounting accounting policies.</p> <ul style="list-style-type: none"> • Ensure that the general meetings of the Company are conducted efficiently and serve as a mode of shareholders' communication. <p>The Board also delegates certain responsibilities to the following Board Committees, all of which operate within their respective Terms of Reference ("TOR"):-</p> <ol style="list-style-type: none"> Audit and Risk Management Committee ("ARMC"); and Nomination and Remuneration Committee ("NRC"). <p>In order to inculcate good values and ethical standards, the Board has also established a Code of Ethics and Conduct which serves as an internal frame of reference for the Directors and employees of the Group in the conduct of their daily activities. The Code of Ethics and Conduct is incorporated in the Board Charter of the Company.</p> <p>The Board Charter and TOR of the respective committees are available on the Company's website at www.rgtech.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

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of the Board, Dato' Siow Kim Lun, holds an Independent Non-Executive position and is primarily responsible for the leadership, governance and conduct of the Board as well as for ensuring the Board's effectiveness. The roles and responsibilities of the Chairman of the Board have been clearly specified in Paragraph 2.3 of the Board Charter, which is available on the Company's website at www.rgtech.com.my.</p> <p>The key responsibilities of the Chairman, amongst others, include the following:-</p> <ul style="list-style-type: none">• To provide leadership to the Board.• To oversee the effective discharge of the Board's supervisory role.• To facilitate the effective contribution of all Directors.• To conduct and chair Board meetings and general meetings of the Company.• To manage Board communications and Board effectiveness and effective supervision over Management.• To ensure Board meetings and general meetings are in compliance with good conduct and best practices.• To promote constructive and respectful relations between Board members and between the Board and the Management.• To ensure that quality information to facilitate decision-making is delivered to the Board in a timely manner.• Together with the Managing Director ("MD"), he represents the Company and/or Group to external groups such as shareholders, creditors, consumer groups, local communities and federal, state, and local governments.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>During the FYE 2021, the Chairman of the Board, Dato' Siow Kim Lun and the MD, Mr. Yap Ban Foo, are both holding separate positions in the Company. The distinct roles and responsibilities of the Chairman and MD are provided in Paragraph 2.3 of the Board Charter, which is available on the Company's website at www.rgtech.com.my.</p> <p>There is a clear division of roles and responsibilities between the Chairman and the MD in order to ensure a balance of power and authority to promote accountability, such that no one individual has unfettered decision-making powers.</p> <p>The Chairman is responsible for the orderly conduct and effectiveness of the Board in addition to facilitating constructive deliberation of matters in hand, whilst the MD has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions.</p> <p>On 1 April 2022, Mr. Cheng Ping Liong was appointed as the Group Chief Executive Officer, while Mr. Yap Ban Foo was re-designated to assume the role of Vice-Chairman and Senior Executive Director of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Chairman of the Board, Dato' Siow Kim Lun is also a member of the ARMC and NRC.
	:	<p>The Company has a moderate-sized Board comprising only three (3) Independent Directors and the Chairman of the Board does not assume the position of the Chairman of the Committees.</p> <p>The Board is of the view that with diverse skills and competencies of the individual Directors, especially Independent Directors, who are appointed to form a competent and strong Board, the Chairman's participation at the committee level should be determined by his ability to contribute and participate, as much as the need for objectivity. The Board also believes that the objectivity in receiving or assessing committees' reports has not been diminished in any way.</p>
<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 corporate secretarial function of the Company is outsourced to Cospec Management Services Sdn. Bhd. ("CMS").</p> <p>The Board is supported by a qualified and competent Company Secretary nominated by CMS. She is a member of the Malaysian Association of Company Secretaries and holds a professional certificate as a qualified Company Secretary under the Companies Act 2016. She possesses over 28 years of experience in corporate secretarial practices.</p> <p>The Board acknowledges that the Company Secretary plays an important role and will ensure that the Company Secretary fulfils the functions for which she has been appointed. The responsibilities of the Company Secretary are as set out in the Board Charter.</p> <p>The Company Secretary and her team manage the logistics of all Board, Board Committees and general meetings. She ensures the minutes of all meetings are properly recorded and reflected the correct proceedings of the meetings, including whether any Director abstained from voting or deliberating on a particular matter.</p> <p>CMS had on 25 May 2021 organised a briefing for the Board on the updated MCCG to keep the Board abreast of the latest development on the governance matters.</p> <p>During the financial year under review, all Board and Board Committees meetings were properly convened and accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.</p> <p>The Company Secretary also keeps the Directors and Principal Officers informed of the closed period for dealings in the Company's shares.</p> <p>Overall, the Board is satisfied with the service and support rendered by the Company Secretary and her team to the Board in the discharge of her functions.</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 1.6

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>To facilitate the Directors' time planning, an annual meeting calendar is prepared and circulated in advance prior to the new calendar year. The calendar provides Directors with the scheduled dates for meetings of the Board and Board Committees, the Annual General Meeting ("AGM") as well as the closed periods for dealings in securities by Directors and principal officers of the Company based on the targeted dates of announcements of the quarterly results.</p> <p>The notice of meetings of the Board and Board Committees are sent to the Directors via emails at least five (5) working days prior to the date of the meetings. Meeting materials are also circulated to Directors at least five (5) business days in advance of the Board and Board Committee meetings to ensure they have been given sufficient time to prepare for the meetings. The Management and other advisers are invited to attend the meetings to report and brief on their respective areas of responsibility, if required.</p> <p>The deliberation and decision of matters discussed in the Board and Board Committees meetings are duly recorded in the minutes of meetings, including whether any Director abstains from voting or deliberating on a particular matter. The minutes of meetings are circulated to the respective Board and Board Committees for review in a timely manner before it is finalised and tabled at the next meeting for confirmation.</p> <p>All the records of proceedings and resolutions passed are kept at the registered office of the Company.</p> <p>For matters which require the Board's decision on an urgent basis outside of Board Meetings, relevant supporting documents along with the Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board Meeting.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter serves as a primary reference for prospective and existing Board members regarding their fiduciary duties as Directors and the functions of the Board Committees. The Board Charter is available on the Company's website at www.rgtech.com.my.</p> <p>The Board Charter clearly sets out the roles and responsibilities, composition and balance, operation and processes of the Board. It serves as a reference point for Board activities and is designed to provide guidance and clarity to Directors with regards to the respective roles and responsibilities of the Board, Board Committees, Chairman and MD, as well as issues and decisions reserved for the Board, the Board's governance structure and Board's authority. This is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities, and the legislations and regulations affecting their conduct.</p> <p>On 16 August 2021, the Board Charter of the Company had been reviewed and revised by incorporating the anti-corruption measures and the relevant practices recommended under the MCCG.</p> <p>The Board Charter is subject to periodic review and will be updated as and when necessary to ensure it remains consistent with the Group's policies and procedures, the Board's overall responsibilities as well as changes to legislation and regulations.</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 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 Code of Ethics and Conduct is incorporated in the Board Charter of the Company and published on the Company's website at www.rgtech.com.my.</p> <p>The Code of Ethics and Conduct is to be observed by all Directors and employees of the Group and will be reviewed by the Board regularly to ensure that it continues to remain relevant and appropriate.</p> <p>The Board is committed in maintaining a corporate culture that engenders ethical conduct. All Directors and employees of the Group are to adhere to the Code of Ethics and Conduct and make a necessary declaration if there is any conflict of interests. Any misconduct involving bribes, dishonest behavior and sexual harassment are strictly prohibited.</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 Board had adopted a Whistle Blowing Policy to provide an avenue for its employees to raise genuine concerns or report any misconduct, alleged breach or suspected breach of any law or regulation, including business principles and the Group’s policies and guidelines, safely and confidentially. All malpractices or wrongdoings reported by the whistleblower are to be directed to the MD or if for any reason, it is believed that reporting to Management is a concern or not possible or appropriate, then the concern will be reported to the Chairman of the AC.</p> <p>The Whistle Blowing Policy is available on the Company’s website at www.rgtech.com.my.</p> <p>The Board will continue to review and update the Whistle Blowing Policy as and when necessary to ensure that they continue to remain relevant and appropriate.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledged the importance of incorporating sustainability considerations into the Company's business and corporate activities, and how sustainability is essential to successful business strategies that could deliver sustainable value to all stakeholders and ultimately boosts the business performance of the Company.</p> <p>The Board together with the Management takes responsibility for the governance of sustainability in the Company, including setting the Company's sustainability strategies, priorities and targets. Performance against these clearly set out targets are communicated to the Company's internal and external stakeholders.</p> <p>As part of the efforts in promoting and building sustainability momentum within the Group, the Group had undertaken the following measures:</p> <p>a) Economic</p> <ul style="list-style-type: none">- Committed to create solutions as resource-efficient, eco-friendly and energy-efficient.- Create job opportunities and retained all employees to ensure their livelihood during the challenging times, especially during the COVID-19 pandemic.- Enhance customer satisfaction through a proactive understanding of customers' ever-changing requirements.- Promote financial transparency within the Group. <p>b) Environmental</p> <ul style="list-style-type: none">- Cut down printing and reduce paper consumption by developing in-house retail management software and e-billing initiatives.- raising employees' awareness of sensible energy and paper use.

	<ul style="list-style-type: none"> - Incorporating ‘Reduce, Reuse and Recycle” principle in the business operation. - Digitalise the Group’s operations to minimise the use of paper. <p>c) Social</p> <ul style="list-style-type: none"> - Promote gender diversity by bringing on board the best talents from diverse backgrounds. - Retain skilled employees and attract new talents by providing continuous technical training and rewarding employees with competitive remuneration packages. - Committed to provide employees’ benefits. 	
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 Board believes that solid alliances with stakeholders have enabled the Company to grow from strength to strength, and it is key in driving sustainability of the Company with regular engagement, communication and obtaining feedbacks and/or opinions from the stakeholders.</p> <p>The Company has engaged with stakeholders in a variety of ways which had been done at both the business units and group levels through formal and informal activities. The collective opinions and insights from the stakeholders help the Board make informed decision while aligning the stakeholders' expectations with the Company's sustainability priorities and business approach.</p> <p>Details pertaining to the stakeholders' engagement are available in the Sustainability Report in the Annual Report for the financial year ended 31 December 2021 ("FYE 2021") ("Annual Report 2021").</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 through the NRC assessed the training programmes attended by each Director during the financial year to ensure they stay abreast with the latest developments in the industry as well as the sustainability issues relevant to the Group, including factors that are driving climate change, sustainable finance and achieving a sustainable business model.</p> <p>The key training programmes attended by each of the Directors of the Company in the FYE 2021 are set out in the Corporate Governance Overview Statement of Annual Report 2021.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.4

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 performance evaluation of the Board in addressing the Group's strategic and business plans which promote sustainability materials matters was evaluated through the annual Board's effectiveness evaluation for the FYE 2021. The Board and Management collectively address the Company's material matters and its inherent risks and opportunities, while at the same time addressing it through appropriate mitigating measures, to ensure the Company continues to generate healthy returns for its shareholders.	
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	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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>The NRC oversees the overall composition of the Board in terms of size, mix of skills, experience and core competencies, as well as the balance between Executive Directors and Independent Non-Executive Directors.</p> <p>The effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board and the contribution of the Board's various committees will be assessed on an annual basis.</p> <p>The Board is fully aware that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years as recommended by the MCCG. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. During the FYE 2021, none of our Directors has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years.</p> <p>The annual re-election of retiring Directors has been contingent on a satisfactory evaluation of the retiring Directors' performance and contribution to the Board.</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 present composition of the Board complies with Rule 15.02 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and Practice 5.2 of the MCGG as half (50%) of the Board comprises Independent Directors. All the Independent Directors are satisfied with the independence test under the Listing Requirements of Bursa Securities.</p> <p>The Board of Radiant currently consists of five (5) members, comprising three (3) Independent Non-Executive Directors, one (1) Vice-Chairman and Senior Executive Director and one (1) Senior Executive Director as set out in the table below:</p> <table border="1"><thead><tr><th>Name</th><th>Designation</th></tr></thead><tbody><tr><td>Dato' Siow Kim Lun</td><td>Independent Non-Executive Chairman</td></tr><tr><td>Yap Ban Foo</td><td>Vice-Chairman and Senior Executive Director</td></tr><tr><td>Yap Sin Sang</td><td>Senior Executive Director</td></tr><tr><td>Tevanaigam Randy Chitty</td><td>Independent Non-Executive Director</td></tr><tr><td>Mashitah Binti Osman</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>The presence of Independent Directors ensures that views, consideration, judgment and discretion exercised by the Board in decision making remain objective and independent whilst assuring the interest of other parties such as minority shareholders are fully addressed and adequately protected as well as being accorded with due consideration.</p>		Name	Designation	Dato' Siow Kim Lun	Independent Non-Executive Chairman	Yap Ban Foo	Vice-Chairman and Senior Executive Director	Yap Sin Sang	Senior Executive Director	Tevanaigam Randy Chitty	Independent Non-Executive Director	Mashitah Binti Osman	Independent Non-Executive Director
Name	Designation														
Dato' Siow Kim Lun	Independent Non-Executive Chairman														
Yap Ban Foo	Vice-Chairman and Senior Executive Director														
Yap Sin Sang	Senior Executive Director														
Tevanaigam Randy Chitty	Independent Non-Executive Director														
Mashitah Binti Osman	Independent Non-Executive Director														
Explanation for departure	:														
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>															
Measure	:														
Timeframe	:														

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	No Independent Directors are serving the Board beyond 9 years.	
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.

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

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises that a diverse Board in the Company could offer greater depth and breadth compared to a non-diverse Board whilst the diversity at Senior Management will lead to better decisions.</p> <p>The Board appoints its members via a formal and transparent selection process. The NRC is responsible to consider and nominate new candidates for appointment and make the necessary recommendations to the Board for approval. The NRC will consider and nominate the candidates based on the objective criteria, including:-</p> <ul style="list-style-type: none">(a) skills, knowledge, expertise and experience;(b) professionalism;(c) integrity; and(d) in the case of candidates for the position of Independent Non-Executive Directors, the NRC will also evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors. <p>In this respect, the role of the NRC is detailed in its TOR, which is accessible on the Company's website, www.rgtech.com.my.</p> <p>The Board, through the NRC, reviews the correct mix of skills, business and professional experience that should be added to the Board annually or as and when required.</p> <p>The appointment of key Senior Management was also made with due regard for diversity in skills, experience, age, cultural background and gender.</p> <p>At present, there is one (1) female Director on the Board.</p> <p>More women's representation on the Board and Senior Management will be taken into consideration if and when vacancies arise and when suitable candidates are identified, underpinned by the overriding primary aims of selecting the best candidate to support the</p>

	achievement of the Company's strategic objectives based on criteria, merit and with due regard for diversity in skills and experience.	
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 5.6

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The members of the Board are to be appointed in a formal and transparent practice as endorsed by the Malaysian Code on Corporate Governance. The NRC will scrutinise the candidates and recommend the same for the Board's approval. In discharging this duty, the NRC will assess the suitability of an individual by taking into account the individual's mix of skill, functional knowledge, expertise, experience, professionalism, integrity and/or other commitments that the candidate can bring to complement the Board.</p> <p>The policies and procedures for recruitment and appointment of Directors are guided by the TOR of the NRC.</p> <p>The NRC leverages on various sources to gain access to a wider pool of potential candidates. Besides the recommendation from the existing Board members, Management and/or major shareholders, the NRC also identifies potential candidates from external sources available, such as industry and professional associations, as well as independent search firms.</p> <p>There was no new Director being appointed to the Board for FYE 2021.</p> <p>The Board will consider referrals from external sources to identify suitably qualified candidates when the need arises in the future and will not solely rely on recommendations from existing Board members, Management and/or major shareholders.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 5.7

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 performance of retiring Directors recommended for re-election at the Eighteenth AGM ("18th AGM") has been assessed through the NRC annual evaluation (including the independence of the Independent Non-Executive Director) and recommended to the Board for approval.</p> <p>The profiles of the Directors who were due for retirement and offered themselves for re-election, which included the nature of interest with the Company, whichever applicable, were set out in the Annual Report 2021 of the Company.</p> <p>Whilst for the retiring Directors for the forthcoming Nineteenth AGM ("19th AGM"), a statement by the Board and NRC being satisfied with the performance and effectiveness of the retiring Directors who offered themselves for re-election at the forthcoming 19th AGM was stated in the notes accompanying the Notice of 19th 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	:	The NRC is chaired by Pn. Mashitah Binti Osman, an Independent Non-Executive Director of the Company.	
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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board currently has one (1) female Director, which represents 20.00% of the Board composition. It reflects the Board's commitment towards achieving a more gender-diversified Board.</p> <p>As at FYE 2021, approximately 33% of the Senior Management team are females.</p> <p>Women's representation on the Board and in senior management will be taken into consideration when vacancies arise and suitable candidates are identified, underpinned by the overriding primary aim of selecting the best candidate to support the achievement of the Company's strategic objectives.</p> <p>The Board will take into consideration of more female Directors within the Board as a long-term goal to which incremental steps shall be taken to ensure it is adopted within the reasonable timeframe stipulated.</p>
<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>In view of the gained attention of boardroom diversity as an important element of a well functioned organisation, the Board has established and adopted a Gender Diversity Policy on 6 June 2018 and it was last reviewed, revised and adopted on 16 August 2021 which provides a framework for the Company to improve its gender diversity at Board level. The objectives/principles and measures as set out in the Gender Diversity Policy are disclosed in the Corporate Governance Overview Statement ("CG Statement") in the Annual Report 2021.</p> <p>To avoid any mismatch and ineffective appointment of female Directors, the Board does not set any specific target for female Directors in the Gender Diversity Policy. However, the Board practises non-gender discrimination, endeavours to promote workplace diversity and supports the representation of women in the composition of Board and Senior Management positions of the Company.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>					
Application	: Applied				
Explanation on application of the practice	<p>The Board recognises the importance of assessing the effectiveness of the individual Directors, the Board and its Committees as a whole. The Board has, through the NRC, conducted an annual evaluation to determine the effectiveness of the Board, its Board Committees and each individual Director in the FYE 2021. The process was carried out by sending the following customised assessment forms to the Directors:-</p> <ul style="list-style-type: none">i. Performance of MD and Executive Director;ii. Performance of Non-Executive Directors;iii. Independence of the Independent Directors;iv. Performance of the ARMC; andv. Effectiveness of the Board and Board Committees as a whole. <p>The completed assessment forms for the FYE 2021 were collated by the Company Secretary and tabled to the NRC and/or ARMC for review before tabling the same for the Boards' deliberation/notation.</p> <p>The annual assessment criteria of the Board and Board Committees and individual Directors were last reviewed and updated on 27 May 2021 which to stay aligned with the MCCG practices. The areas covered in the aforesaid annual assessment criteria are as follows:-</p> <table><tr><th>Evaluation</th><th>Assessment Criteria</th></tr><tr><td>Board and Board Committees as a whole</td><td><ul style="list-style-type: none">• Role of the Chairman and Managing Director• Board balance, size and composition• Board structure and procedures• Relationship of the Board to Management• Quality and supply of information to the Board/Board's Committees• Access to advice</td></tr></table>	Evaluation	Assessment Criteria	Board and Board Committees as a whole	<ul style="list-style-type: none">• Role of the Chairman and Managing Director• Board balance, size and composition• Board structure and procedures• Relationship of the Board to Management• Quality and supply of information to the Board/Board's Committees• Access to advice
Evaluation	Assessment Criteria				
Board and Board Committees as a whole	<ul style="list-style-type: none">• Role of the Chairman and Managing Director• Board balance, size and composition• Board structure and procedures• Relationship of the Board to Management• Quality and supply of information to the Board/Board's Committees• Access to advice				

		<ul style="list-style-type: none"> • Accountability for financial reporting, internal control and sustainability risk and opportunities • Relation with Auditors/Shareholders/ Investors • Use of Board Committees • Directors' training
	ARMC	<ul style="list-style-type: none"> • Composition and quality • Oversight of the financial reporting process, including internal controls • Understanding the business, including risk and control environment • Access to information and advice • Oversight of audit functions • Compliance with corporate governance • External Auditors • Staying abreast on issues • Report and recommendations
	MD / Executive Director	<ul style="list-style-type: none"> • Financial • Strategic and sustainability • Conformance and compliance • Business acumen/increasing shareholders' wealth • Succession planning • Personal input to the role
	Non-Executive Directors	<ul style="list-style-type: none"> • Attendance at Board and/or Board Committees' meetings • Adequate preparation for Board and/or Board Committees' meetings • Regular contribution to Board and/or Board Committees' meetings • Personal input to the role
	<p>Based on the evaluations conducted in the FYE 31 December 2021, the NRC and the Board were satisfied with the performance of the individual Directors, Board as a whole, Board Committees as well as the independence and objective judgements that the Independent Directors have brought to the Board.</p> <p>The Board is satisfied with the current evaluation process. The Board will continue to review the Board's evaluation process as and when necessary to ensure it remains a valuable feedback mechanism for improving the Board's effectiveness.</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>In view that fair remuneration is crucial to attract, retain and motivate Directors and Senior Management, the Board had adopted a formal and transparent Remuneration Policy that sets out the principles and guidelines for the Board and the NRC to determine the remuneration of Directors and Senior Management of the Company, which take into account the demands, complexities and performance of the Company as well as skills and experience required.</p> <p>The Remuneration Policy is available on the Company's website at www.rgtech.com.my.</p> <p>The remuneration is reviewed by the NRC on an annual basis prior to making its recommendations to the Board for approval. In its review, the NRC considers various factors including the Directors' fiduciary duties, time commitments and expertise expected from them and the Company's performance.</p> <p>The MD and Executive Director's remuneration packages are tabled and reviewed by the NRC based on the Key Performance Indicators before a recommendation is made to the Board for approval.</p> <p>Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration.</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 Board, assisted by the NRC, implements the policy and procedures on the remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company.</p> <p>The NRC is responsible to ensure that the remuneration packages (including fees and benefits) are benchmarked with industry standards in light of the Group's performance in the industry as well as commensurate with the expected responsibility and contribution by the Directors and linked to the strategic objectives of the Group.</p> <p>The NRC has a detailed TOR in writing which is accessible on the Company's website at www.rgtech.com.my.</p> <p>The NRC consists of the following members, all being Independent Non-Executive Directors:-</p> <ul style="list-style-type: none">• Mashitah Binti Osman (Chairperson)• Dato' Siow Kim Lun (Member)• Tevanaigam Randy Chitty (Member) <p>The Directors who are also the shareholders of the Company would abstain from the deliberation and voting on matters pertaining to their own remuneration at the forthcoming Nineteenth AGM ("19th AGM").</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to 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 detailed disclosure on a named basis for the remuneration of individual Directors for the FYE 2021 is set out below and also in the Corporate Governance Overview Statement of the Annual Report 2021.

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	Yap Ban Foo	Managing Director														
2	Yap Sin Sang	Executive Director - Operations														
3	Dato' Siow Kim Lun	Independent Non-Executive Chairman														
4	Tevanaigam Randy Chitty	Independent Non-Executive Director														
5	Mashitah Binti Osman	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	:		
Explanation for departure	:	The Board is of the view that the disclosure of the Top Five (5) Key Senior Management’s remuneration components on a named basis would not be in the best interest of the Company as it may be detrimental to the Company’s human resource management due to the competitive nature of talents within the industry.	
		The Board also took into consideration of sensitivity and security of the remuneration package of Top Five (5) Key Senior Management, hence, opts not to disclose on a named basis the remuneration or in bands of RM50,000 for the Top Five (5) Key Senior Management.	
		As an alternative, the Board is of the view that the disclosure of Top Five (5) Senior Management’s aggregated remuneration on an unnamed basis in the bands of RM50,000.00 in the Company’s Annual Report 2021 is adequate.	
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The positions of Chairman of the Board and Chairman of the ARMC are being held by two different persons. The Chairman of the Board is Dato' Siow Kim Lun, an Independent Non-Executive Director, while the Chairman of the ARMC is Mr. Tevanaigam Randy Chitty, also an Independent Non-Executive Director. This separation is to ensure that the Board's review of the ARMC's findings and recommendations are not impaired.</p> <p>The separation had been set out clearly in the TOR of the ARMC which is accessible on the Company's website at www.rgtech.com.my.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The TOR of the ARMC has been updated on 16 August 2021 to lengthen the cooling off period from two (2) to three (3) years with effect from 1 January 2022.</p> <p>For the FYE 2021, none of the AC members were former audit partners of the Company.</p> <p>The TOR of the ARMC is available on the Company's website at www.rgtech.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board had established an External Auditors Assessment Policy which sets out the guidelines and procedures for the ARMC to review, assess and monitor the suitability, objectivity and independence of the External Auditors that consider amongst others:-</p> <ul style="list-style-type: none">a. Calibre of the audit firm;b. Quality of the audit engagement team;c. Quality of communication and interaction with the audit team;d. Audit scope and quality processes;e. Audit governance and independence; andf. Audit fee. <p>The procedures for selection and appointment of External Auditors as stated in the policy are as follows:-</p> <ul style="list-style-type: none">i. To identify the audit firms which meet the criteria for appointment and to request for their proposals of engagement for consideration;ii. To assess the proposals received and shortlist the suitable audit firms;iii. To meet and/or interview the shortlisted audit firms; andiv. To recommend the suitable audit firm to the Board for appointment as External Auditors of the Company. <p>The External Auditors are precluded from providing any services that may impair their independence or conflict with their role as External Auditors.</p> <p>The ARMC obtained assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.</p> <p>The Board, having considered the ARMC's recommendation and feedback, was satisfied with the suitability and independence of the External Auditors and has recommended their re-appointment to the shareholders for approval at the 19th 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	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

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	:	Adopted
Explanation on adoption of the practice	:	<p>The ARMC comprises solely of the following Independent Non-Executive Directors in line with Practice 9.4 of the MCCG:-</p> <ul style="list-style-type: none">(a) Tevanaigam Randy Chitty (Chairman);(b) Dato' Siow Kim Lun (Member); and(c) Mashitah Binti Osman (Member).

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>The members of the ARMC possess the necessary skills and knowledge to discharge their duties in accordance with the Terms of Reference of the ARMC. They are financially literate and able to understand the Group's business and matters under the purview of the ARMC. With the necessary skills and knowledge, they are able to effectively review the Group's financial reporting process and transaction and detect any financial anomalies or irregularities in the financial statements as well as challenge Management's assertions on the Group's financials.</p> <p>The NRC would also review the terms of office and performance of the ARMC members to determine whether they have carried out their duties in accordance with their Terms of Reference.</p> <p>During the ARMC meetings, the members have also been briefed by the External Auditors on the development or changes in the Malaysian Financial Reporting Standards and the relevant accounting requirements under the Companies Act 2016.</p> <p>The ARMC members will continuously keep abreast of relevant industry developments including accounting and auditing standards, business practices and rules, to address any skills or knowledge gaps according to their needs. The details on training programmes, seminars and forums attended by ARMC members in the FYE 2021 are disclosed in the Annual Report 2021.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board acknowledges its overall responsibility for ensuring that a sound system of risk management and internal control is maintained throughout the Group and the need to review its effectiveness regularly. The Board recognises that risks cannot be totally eliminated and the system of risk management and internal control is designed to manage the Group's risks within an acceptable risk appetite as well as to provide reasonable assurance against material misstatement of financial information and records or against financial losses or fraud. The risk management and internal control are embedded in various work processes and procedures of the respective operational functions and Management team.</p> <p>The Board also keeps itself abreast of the industry development and issues to facilitate their planning and effective management of business operations, regulatory requirements and finance to mitigate the possible risks that may be faced by the Group. Adherence to standard operating procedures also ensures the Management and staff act within the authority limit to ensure check and balance and safeguard the interest of the Group.</p> <p>The Board has delegated the responsibility of reviewing the adequacy and effectiveness of the risk management and internal control systems to the ARMC.</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 via the ARMC oversees the risk management of the Group. The ARMC reviews the effectiveness of the risk management function and deliberate on the risk management and internal control frameworks, functions, processes and reports regularly.</p> <p>The ARMC is assisted by the Management as well as the outsourced Internal Auditors to identify and assess the significant risks faced by the Group and to ensure that appropriate risk treatments were in place to mitigate the risks that could be affecting the achievement of the Group's business objectives. The Internal Auditors report directly to the ARMC and the internal audit plans are tabled to the ARMC every quarter for review to ensure adequate coverage.</p> <p>Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control of the Annual Report 2021.</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	:	Adopted
Explanation on adoption of the practice	:	<p>The ARMC comprises of all Independent Non-Executive Directors and its members are listed as below:-</p> <ul style="list-style-type: none">(a) Tevanaigam Randy Chitty (Chairman);(b) Dato' Siow Kim Lun (Member); and(c) Mashitah Binti Osman (Member). <p>The scope and function of the ARMC are set out in the Terms of Reference which is available on the Company's website at www.rgtech.com.my.</p>

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The internal audit function is outsourced to an independent professional service firm that assists the ARMC in managing the risks and establishing of the internal control system and processes of the Group by providing an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes. The Internal Auditors report directly to the ARMC.</p> <p>The ARMC has the responsibility to review and assess the adequacy of the scope, functions, competency and resources of the internal audit functions. In developing the scope of the internal audit function, the ARMC is satisfied that –</p> <ol style="list-style-type: none">the person responsible for the internal audit has relevant experience, sufficient standing and authority to enable him to discharge his functions effectively;the firm appointed to carry out the Group's internal audit function has sufficient resources and is able to access information to enable it to carry out its role effectively; andthe personnel assigned to undertake internal audits have the necessary competency, experience and resources to carry out the function effectively. <p>The Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role as Internal Auditors.</p> <p>To ensure that the responsibilities of Internal Auditors are fully discharged, the ARMC evaluated the performance of the Internal Auditors for the FYE 2021 based on the following evaluation criteria as set out in the Internal Auditors' Annual Assessment Form:-</p> <ol style="list-style-type: none">Calibre of the internal audit firm;Quality of the internal audit engagement team;Quality of communication and interaction with the internal auditors;Internal audit scope and quality processes;Audit Governance and independence; and

	<p>f. Internal audit fee.</p> <p>The ARMC concluded its assessment that the Internal Auditors have sufficient experience and resources to satisfy their terms of reference and adequately deliver the quality services to the Group.</p> <p>The internal audit function is independent of the operations of the Group and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively.</p> <p>Areas for improvements are highlighted to the ARMC and the implementation of recommendations has consistently been monitored. The Internal Auditors have provided assurance to the ARMC that none of the internal control weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report 2021.</p> <p>Further details of the internal audit function and activities are set out in the Statement on Risk Management and Internal Control and the ARMC Report in the Annual Report 2021.</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 internal audit function is outsourced to Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling"), a third party professional internal audit service firm which is independent of the operations and activities of the Group. The engagement team from Sterling are free from any relationship or conflict of interest, which could impair their objectivity and independence.</p> <p>Sterling has the number of audit staff deployed for each internal audit review ranges from 3 to 4 Internal Auditors per visit. Sterling is a corporate member of the Institute of Internal Auditors Malaysia (IIAM). Different lead Internal Auditors is assigned to conduct each internal audit review, depending on the scope of the review.</p> <p>The Internal Auditors use the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control – Integrated Framework as a basis for evaluating the effectiveness of the internal control system.</p> <p>The internal audit makes reference to the International Professional Practices Framework set by the Institute of Internal Auditors to ensure that internal audit staff are professionally guided and trained to develop the appropriate competencies to perform their duties during the internal audit review.</p> <p>The ARMC was satisfied with the competency, experience and resources of the internal audit function for discharging their roles and responsibilities.</p> <p>Further details of the internal audit activities are disclosed in the ARMC Report and Statement on Risk Management and Internal Control of the Annual Report 2021.</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 values the importance of the dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner and hence, a Corporate Disclosure Policy had been adopted. A copy of the policy is published on the Company's website at www.rgtech.com.my.</p> <p>The Board, in its best efforts, always keeps the shareholders and various stakeholders informed of the Group's business, operations and financial performance. The Company communicates regularly with the public by releasing its announcements, quarterly reports, and annual reports on Bursa Securities' website at www.bursamalaysia.com or the Company's website at www.rgtech.com.my.</p> <p>The Company's website at www.rgtech.com.my serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events and announcements to Bursa Securities relating to the Group. The Company has placed various documents pertaining to the organisation, Board and Management, corporate governance, policies, charters, terms of references as well as other corporate information on its Corporate section under 'Investor Relations', to further facilitate the stakeholders' understanding of the Group's business and its policies on governance. In addition, shareholders may receive the Group's news by registering for the Radiant's news alert under the 'Investor Relations' section on the Company's website.</p> <p>Another key avenue of communication with its shareholders is the Company's Annual Report to shareholders. The Annual Report, which is prepared in accordance with the requirements of the ACE Market LR, communicates comprehensive information about the financial results and activities undertaken by the Company. All information to shareholders is available electronically as soon as it is announced or published.</p> <p>Besides, the Company's AGM remains a principal forum used by the Company for dialogue with its shareholders. The AGM provides an opportunity for the shareholders to seek clarification on any issues on</p>

	the resolutions being proposed and also matters relating to the performance, developments within and the future direction of the Group. Shareholders are encouraged to actively participate in the question and answer session. The Board, Senior Management and the External Auditors will be present to answer and provide appropriate clarifications to the shareholders at the 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

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

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

Practice 12.2

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

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

Intended Outcome

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

Practice 13.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The notice of the 18th AGM of the Company held on 25 June 2021 was sent to the shareholders on 30 April 2021, which is more than 28 days prior to the date of the 18th AGM.</p> <p>The notice for convening the forthcoming 19th AGM of the Company which is scheduled to be held on 24 June 2022 was sent to the shareholders at least twenty-eight (28) days before the date of the 19th AGM.</p> <p>The notice of the 19th AGM provides a detailed explanation for the resolutions proposed along with any background information and reports or recommendation that are relevant, where required and necessary, to enable shareholders to have sufficient time to consider the resolutions that will be discussed and to make informed decisions in exercising their voting rights.</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	:	<p>Given concerns surrounding the outbreak of COVID-19, the guidance issued by the Securities Commission Malaysia and the standard operating procedure regarding physical distancing issued by the Ministry of Health, the Company has conducted its 18th AGM by way of a virtual meeting through live streaming and online remote voting.</p> <p>All Directors and Chairmen of the Board Committees were present to provide a response to questions posed by shareholders. The Senior Management and External Auditors were also in attendance to respond to the shareholders' queries.</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 13.3

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 18th AGM of the Company which was held on 25 June 2021 was conducted on a fully virtual basis and entirely via remote participation and voting.</p> <p>This allows the shareholders to participate in the 18th AGM while at the same time, following the health guidance issued by the Government of Malaysia of not having a mass gathering and practicing social distancing to curb the spread of COVID-19. The conduct of meetings by way of fully virtual is also strongly encouraged by the Securities Commission Malaysia.</p> <p><u>Remote shareholders' participation in General Meetings</u></p> <p>Shareholders are able to attend, speak (including posing questions to the Company/Board of Directors) and vote remotely at the 18th AGM without being physically present at the meeting venue. Shareholders may also appoint proxies to participate on his/her behalf by submitting the duly executed proxy form to the Company' share registrar in hard copy or by electronic means.</p> <p><u>Voting in absentia</u></p> <p>For shareholders who are unable to attend the meetings remotely, they may exercise their voting rights by appointing the Chairman of the meeting as his/her proxy with a pre-determined proxy form.</p> <p>Shareholders will be allowed to cast their vote via an online platform at the time of the meeting until the time when the Chairman of the meeting announces the completion of the voting session.</p>
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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>The Chairman ensures that the general meetings cater an important opportunity for effective communication with, and constructive feedback from the shareholders.</p> <p>Shareholders were encouraged to submit their questions before the 18th AGM at https:// tiih.online or post the questions using the query box facility during the 18th AGM. In addition, upon commencement of the 18th AGM, the Chairman duly advised the shareholders that they were allowed and encouraged to submit their questions or queries in the query box throughout the 18th AGM.</p> <p>The Company facilitates and encourages shareholder participation at its 18th AGM. These meetings provide an update for shareholders on their performance and offer an opportunity for shareholders to ask questions and vote. The Chairman read out and the Directors answered the relevant questions received.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has engaged the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor") for Registration and Electronic Poling Services. Tricor has a vast amount of experience in conducting a fully virtual meeting. Moreover, efficiency is guaranteed as Tricor holds up to date records of the Company shareholders</p> <p>The detailed procedures to participate in the meeting remotely were provided to the shareholders in the Administrative Notes of the 18th AGM sent through email and by ordinary post and the same was also published on the Company's website.</p> <p>Tricor has in place a meeting platform that allows shareholders to participate online, using a smartphone, tablet or computer as well as view a live webcast of the meeting.</p> <p>As mentioned above, real time submission of typed texts is also available to encourage interactive participation from the shareholders. The high number of questions answered during the meeting had evidenced a successful virtual 18th AGM with active participation by the shareholders.</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

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	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The minutes of the 18 th AGM were not circulated to the shareholders, however, the Summary of Key Matters Discussed at the 18 th AGM was published on the Company's website at www.rgtech.com.my .
<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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