

CORPORATE GOVERNANCE REPORT

STOCK CODE : 9954
COMPANY NAME : RGT BERHAD
FINANCIAL YEAR : June 30, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("Board") of RGT Berhad ("RGTBHD" or the "Company") is guided by the Board Charter and the roles and responsibilities of the Board are included in the Board Charter, which is available on the Company's website at www.rgtberhad.com. To enable the Board to discharge its duties effectively whilst enhancing business and operational efficacy, the Board delegates certain responsibilities to the Board Committees, namely: • Audit Committee ("AC"); • Nomination Committee ("NC"); • Remuneration Committee ("RC"), and • Risk Management Committee ("RMC") Roles and responsibilities of the AC, NC, RC and RMC are set out in each respective Terms of Reference ("ToR"). The chairman of the Board Committees will report to the Board the outcome of their meetings and such reports are incorporated in the minutes of the Board meeting. The Board has overall responsibility for the sustainable growth and financial soundness of the Company and its subsidiaries ("the Group"). To ensure the Group operates in accordance with the desired goals and objectives of the Company, the Board has the power to decide on all matters pertaining to the Company's and the Group's businesses. 1. The Board, together with the management is responsible for promoting good corporate governance ("CG") culture within the Group and exercising reasonable care of the Company as well as the Group's resources in delivering of long-term value to shareholders while taking into account the interest of other stakeholders.

	The Board understands that upholding CG values is not merely that of achieving the desired financial performance; but also that of reinforcing ethical, prudent and professional behaviour. The Code of Ethics for Directors includes principles relating to their duties, conflict of interest and dealings in securities is available at the Company's website at www.rgtberhad.com. RGTBHD is committed to ensuring that its business and operations are conducted in an ethical, moral and legal manner. In line with this commitment, RGTBHD had implemented the Whistleblowing Policy ("WPP") to provide an avenue for all employees to disclose any improper conduct with the Company. The WPP of RGTBHD is available at its Company's website at www.rgtberhad.com. The WPP sets out the internal channel/procedures for all employees of the Company to disclose any irregularities and the protection accorded to employees who disclose such allegations. The Group is committed to conduct its business ethically by having procedures for the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices guided by its Anti-Bribery and Corruption Policy ("Policy"). The Group is legally obliged to have a zero-tolerance policy and will comply with the Malaysian Anti-Corruption Commission Act 2009 and the new provision of Malaysian Anti-Corruption Commission Act 2018 ("MACC ACT") and any of its amendments from time to time. The details of this policy are available at Company's website at www.rgtberhad.com. 2. The Board plays an active role in the development of the Company's strategy, and monitoring of its performance and implementation. The Board has in place a strategy planning process, whereby the Senior Management presents to the Executive Directors ("EDs") its recommended strategy and proposed business plan for the following year during management meeting. The EDs review and deliberate both the Management's proposals and its own points of view, and challenge the Management's views and assumptions for the proposed targets, to obtain the best outcome for the benefit of the Group. Senior Management of each subsidiary prepares the annual budget and sets the Key Performance Indicators ("KPIs") accordingly. 3. In ensuring that the strategic plan of RGTBHD supports long-term value creation, the Board reviews the plans and the outcome of the Management's initiatives and considers them in relation to the long term sustainability, economic, regulatory, environmental and-social climate that may have a considerable influence on the Group's businesses and stakeholders.
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	A narrative statement of the management of material economic, environmental and social risks and opportunities is provided in the Sustainability Statement in Annual Report 2023. During financial year ended 30 June 2023 (“FYE 2023”), the Board also discussed sustainability topics such as business expansion. 4. The Chief Executive Officer’s (who is also an Executive Director) role is to provide strategic business decision and implementing Board policies and is in charge of the day-to-day operations of the businesses of the Group. The Board continuously observes the external and internal business environment to ensure proper actions have been taken to address the environmental changes that might affect the Group’s business. 5. The Board oversees the risk management framework of the Group and monitors the Group’s risk profile with the assistance from its RMC. The RMC advises the AC and the Board on areas of high risks and the adequacy of compliance and control procedures throughout the organisation to ensure that all major risks are well managed. The AC reviews the internal controls of the Group to ensure the protection of its assets and its shareholders’ investment. 6. The RMC is chaired by an Independent Non-Executive Director with Executive Director and the Senior Management as its members, to assess the Group’s risk exposure and implementation of appropriate action to manage the risks. The RMC assists the Board in overseeing the adherence of established risk appetite/tolerance at the enterprise-wide level in the Enterprise Risk Management (“ERM”) Framework. 7. The Senior Management has the necessary skills set and experiences to manage the financial and non-financial risks as well as maintain integrity of the Group’s financial and non-financial reporting. 8. To enable effective communication with stakeholders, the Board has identified the CEO to handle investor relations related matters for the Group. The Board emphasised the importance of embracing the integrity and ethical values across the organisation. The same applies to the Company’s financial and non-financial reporting to ensure reliability, timeliness, transparency and compliance with the relevant standards.
Explanation for departure	:

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

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.2

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	:	The roles and responsibilities of the Chairman of the Board have been clearly specified in the Board Charter, which is available on the Company's website at www.rgtberhad.com. 1. The Chairman leads the Board by setting the tone at the top, and managing the Board's effectiveness by focusing on strategy, governance and compliance. In turn, the Board monitors the functions of the Board Committees in accordance with their respective ToR to ensure its own effectiveness. 2. The Chairman with the assistance of the Company Secretary sets the board agenda for each meeting based on the dates of scheduled Board meetings in the annual meeting calendar. The Chairman ensures that all Directors have full and timely access to information with an agenda on matters requiring Board's consideration. Agenda and documents relevant to the Board meetings are circulated at least 7 days in advance to the Directors for their review before the meetings to ensure the effectiveness of the Board meetings. 3. The Chairman leads the pace of the meeting and fosters discussion and deliberation to ensure effective decision making processes. 4. The Chairman encourages Board members to actively take part in the Board meetings and promotes an open environment to allow Board members to freely express dissenting views for discussion on the overall control, Management's performance and strategy development of the Company. During deliberations at Board meetings, the Chairman provides his objective views and decisions to resolve situations when there are differing views between the Board Members and the Management.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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	:	The distinct and separate roles and responsibilities of the Chairman and CEO are provided in the Board Charter, which is available on the Company’s website at www.rgtberhad.com. The positions of Chairman and CEO are held by two different individuals who are not related to each other. The Chairman is an Independent Non-Executive Director (“ID”) while the CEO is an Executive Director of the Company. There is a clear division of responsibilities between the Chairman and CEO to ensure balance of power and authority, increased accountability and greater capacity of the Board for independent decision making.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.4

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' Ir. Low Keng Kok is also the Chairman of RC and NC and member of AC. The Chairman is conscious of his differing roles in the Board and in the AC, NC and RC. All issues before recommending to the Board are thoroughly deliberated at the respective Committee level which involved the participation of the other Committee members. All recommendations by the Committees to the Board have been arrived at unanimously and this would have eliminated the risk of self-review. Moreover, the composition of the Board which comprises majority of IDs support an independent deliberation, review and decision-making process.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
Timeframe	:	Choose an item.

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	:	The Board members have full access to Company Secretary, who is qualified to act as Company Secretary as prescribed under Section 235(2) of the Companies Act 2016 and have the requisite experience and competency in company secretarial services. She is an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretary play an advisory role to the Board in relation to the Company's constitution, Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislations. The Company Secretary also ensure that deliberations at the Board and Board Committee meetings are well captured and minuted, and subsequently communicated to the relevant management for necessary action. The Company Secretary also keeps the Board updated on new statutes and directives issued by the regulatory authorities, and the resultant implications to the Company and the Directors in relation to their duties and responsibilities. The Company Secretary keeps abreast of the evolving capital market environment, regulatory changes and developments in CG through continuous training.
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	:	To facilitate the Directors' time planning, an annual meeting calendar is prepared and circulated to all Directors. The calendar provides Directors with scheduled dates for the Board meetings, Board Committees meetings and the Annual General Meeting ("AGM"). The meeting calendar for the proposed Board meetings in the year 2023 was tabled at the Board's Meeting held on 28 September 2022. All Directors have full access to information through the Board papers and it is distributed at least seven (7) days prior to the meeting as stated in the Board Charter, except for meetings called on an ad-hoc basis for special matters. This is to enable the Directors to have an overview of the matters to be discussed or reviewed at the meetings and to seek further clarifications, if any. The Senior Management, external and internal auditors and the Directors of the Company's subsidiaries are invited to attend the meetings of the Board and Board Committees, to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda, if necessary. The Directors may obtain independent professional advice at the Company's expense with the approval of the Chairman, in discharging their duties in accordance with established procedures set out in the Board Charter. All deliberations and decisions of the Board and Board Committees are recorded by the Company Secretary. Minutes of meetings would be circulated to all Directors on a timely basis for review and thereafter for confirmation at next meeting of the Board and Board Committees.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board has adopted a Board Charter which clearly sets out the roles and responsibilities of the Board, Board Committees and individual Directors. The Board Charter is subject to review by the Board periodically to ensure it remains consistent with the Board's objectives and responsibilities, current laws and practices. The Company's Board Charter was last reviewed on 28 September, 2022. A copy of the latest Board Charter is available on the Company's website at www.rgtberhad.com. The Board is also responsible to ensure continuing education/training for the Directors to update their knowledge and enhance their skills through attendance at relevant programs, so as to enable them to sustain their active participation in Board deliberations.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	The Board is mindful of its leadership in business ethics practices as one of the key elements of business sustainability. The principle of the Code of Conduct and Ethics for Directors is based on principles of integrity, accountability, sustainability and duty to act in public interest and best interest of RGTBHD Group. This Code of Ethics provides guidance for establishing a standard of ethical behaviour for Directors and upholding the spirit of responsibility and social responsibilities. The Code of Conduct and Ethics covers issues related to: • Compliance with Laws, Rules and Regulations; • Conflict of Interest; • Anti-Corruption/ Bribes; • Company Assets; • Confidentiality; • Insider Trading; • Fair Dealing and Anti-Competition; • Waiver; • Reporting Violations of the Code; and • Enforcement of Code. Employee handbook outlines the code of conduct components such as compliance with laws, rules and regulations, respect to colleague in the workplace, protection of Company's property, professionalism in all business practices, etc. which promotes integrity and ethical behaviour in all aspect of the Company's operations. The Code of Conduct and Ethics for Directors is available on the Company's website at www.rgtberhad.com.
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	:	The Board has formalised a Whistleblowing Policy (“WPP”) which serves as an internal communication channel in relation to whistleblowing at work place and to enable employees or the relevant parties to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct on a confidential basis. The WPP provides contact details of the AC Chairman as the avenue for the employees or relevant parties to raise concerns of non-compliance to him. The WPP can be accessed through the Company’s website at www.rgtberhad.com.	
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	:	The Board is responsible for sustainability strategies. As sustainability is important in creating long term value, the Board endeavours to integrate the principles of sustainability into the Group's strategies, policies and procedures. The Group's sustainability management is driven by the Sustainability Working Committee which comprises Heads of the respective Business Divisions and key corporate functional departments and chaired by Lee Soo Ching, Executive Director and Chief Sustainability Officer. The sustainability governance and roles of Sustainability Working Committee are outlined in the Sustainability Statement in the Annual Report.
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	:	The Group relies on the Sustainability Policy and Sustainability Statement which are available on the Company's website at www.rgtberhad.com to communicate and engage with its stakeholders. The communication has been made via the following ways, amongst others: a) RGT's website; b) Communication through the Sustainability Working Committee; c) RGT's portal which is accessible by the employees; and d) Trainings. The Group's sustainability strategies, priorities and targets as well as performance against these are continuously communicated internally and executed by the Sustainability Working committee. The comprehensive description of the Group's engagement with all stakeholders as well the performance against these targets is as set out in the Sustainability Statement which can be found on the Group's Annual Report.
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	:	The Company's objectives, strategy and financial targets are evaluated by the Board on an annual basis. The Board also reviews the Group's performance in environmental, social and governance (ESG) and evaluates the risk profile and make regular assessments of these processes to ensure high quality standards. During the financial year, the following were presented in the Board meeting and approved by the Board. i) Materiality matrix which has been evaluated by Sustainability Working Committee ii) Sustainability priorities iii) ESG strategy, plan and activities iv) Climate change risks, opportunities and mitigation plan Stakeholders' views had given valuable insight into economic and ESG topics, which had also formed part of the discussions at the Board meetings and every decision that the Board takes. The Board keeps fully abreast of latest regulations and guidance applicable to the business including current and emerging environment problems and develop robust practices around factoring environmental considerations into board decision making.
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 4.4

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 Board assessment/evaluation is being conducted annually. The Board evaluation on 24 August 2023 in respect of FYE 2023 takes into consideration the performance of the Board in addressing the Company's material sustainability risks and opportunities and also the conduct of the Board to stay abreast with and understand the sustainability issues relevant to the Company and its business.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.5- Step Up

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

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

Application	:	Adopted
Explanation on adoption of the practice	:	The Board has designated Lee Soo Ching, as the Group's Chief Sustainability Officer to coordinate and manage the sustainability strategy, including integration of sustainability considerations in the operations of the Group.

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	:	The NC 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. 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. 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 Malaysian Code of Corporate Governance ("MCCG"). However, those Independent Non-Executive Directors that have served more than nine (9) years will be subject to shareholders' approval for the re-appointment during the annual general meeting. During the FYE 2023, 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. The annual re-election of retiring Directors has been contingent on a satisfactory evaluation of the retiring Directors' performance and contribution to the Board.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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	:	The present composition of the Board complies with Paragraph 15.02 of the Main Market Listing Requirements of 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 Main Market Listing Requirements of Bursa Securities. The Board of the Company currently consists of six (6) Directors comprising one (1) Independent Non-Executive Chairman, three (3) Executive Directors, three (3) Independent Non-Executive Directors, as set out in the table below: <table><tr><td>Name</td><td>Designation</td></tr><tr><td>Dato’ Ir. Low Keng Kok</td><td>Independent Non-Executive Chairman</td></tr><tr><td>Datuk Lim Seat Hoe</td><td>Executive Director/CEO</td></tr><tr><td>Lee Soo Ching</td><td>Executive Director</td></tr><tr><td>Dr. Ooi Hun Pin</td><td>Independent Non-Executive Director</td></tr><tr><td>Ng Choon Keat</td><td>Executive Director</td></tr><tr><td>Dato’ Lim Yong Jin</td><td>Independent Non-Executive Director</td></tr></table> The Board operates in a manner that ensures the Directors exercise independent judgement and the interests of shareholders are always at the forefront when important decisions are made by the Board. The assessment of the independence of Independent Directors was conducted annually by the NC via the Annual Evaluation of Independence of Director to ensure that the Independent Directors were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.	Name	Designation	Dato’ Ir. Low Keng Kok	Independent Non-Executive Chairman	Datuk Lim Seat Hoe	Executive Director/CEO	Lee Soo Ching	Executive Director	Dr. Ooi Hun Pin	Independent Non-Executive Director	Ng Choon Keat	Executive Director	Dato’ Lim Yong Jin	Independent Non-Executive Director
Name	Designation															
Dato’ Ir. Low Keng Kok	Independent Non-Executive Chairman															
Datuk Lim Seat Hoe	Executive Director/CEO															
Lee Soo Ching	Executive Director															
Dr. Ooi Hun Pin	Independent Non-Executive Director															
Ng Choon Keat	Executive Director															
Dato’ Lim Yong Jin	Independent Non-Executive Director															
Explanation for departure	:															
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.																

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied	
Explanation on application of the practice	:	There are no Independent Directors on 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	:	RGTBHD values the benefits that diversity can bring to its Board. The Board also recognises that having a range of different skills, backgrounds, experience and diversity is essential to ensure a broad range of viewpoints to facilitate optimal decision making and effective governance. The selection criteria for the recruitment process and annual assessment of Directors are contained in the ToR of the NC in the Company’s website at www.rgtberhad.com. The NC was tasked with the responsibility for identifying, assessing and recommending the right candidates to the Board as well as reviewing and assessing the composition and performance of the Board. The Directors’ profiles are provided on pages 6 to 8 of the Annual Report. The following Board Skillset is based on the review conducted internally as part of the Board Effectiveness Evaluation exercise in 2023:- <table><tr><th rowspan="2">Directors</th><th rowspan="2">Nationality</th><th rowspan="2">Designation</th><th colspan="6">Industry / Background Experience</th></tr><tr><th>Engineering</th><th>Marketing</th><th>Industrial</th><th>Corporate / Planning</th><th>Accounting / Finance / Taxation</th><th>Governance Risk and Compliance</th></tr><tr><td>Dato' Ir. Low Keng Kok</td><td>Malaysian</td><td>Chairman/ Independent Non-Executive Director</td><td>√</td><td>√</td><td>√</td><td>√</td><td>√</td><td>√</td></tr></table>	Directors	Nationality	Designation	Industry / Background Experience						Engineering	Marketing	Industrial	Corporate / Planning	Accounting / Finance / Taxation	Governance Risk and Compliance	Dato' Ir. Low Keng Kok	Malaysian	Chairman/ Independent Non-Executive Director	√	√	√	√	√	√
Directors	Nationality	Designation				Industry / Background Experience																				
			Engineering	Marketing	Industrial	Corporate / Planning	Accounting / Finance / Taxation	Governance Risk and Compliance																		
Dato' Ir. Low Keng Kok	Malaysian	Chairman/ Independent Non-Executive Director	√	√	√	√	√	√																		

	Datuk Lim Seat Hoe	Malaysian	Executive Director / Chief Executive Officer		√	√	√	√	√																					
	Lee Soo Ching	Malaysian	Executive Director		√	√	√	√	√																					
	Ng Choon Keat	Malaysian	Executive Director	√		√	√	√	√																					
	Dr. Ooi Hun Pin	Malaysian	Independent Non- Executive Director		√		√	√	√																					
	Dato' Lim Yong Jin	Malaysian	Independent Non- Executive Director	√			√	√	√																					
The diversity in the age, ethnicity and gender of the Board are provided on page 48 of the Annual Report. The appointment of Senior Management is carried out by the CEO. The Head of Human Resource Department will select the candidates by focusing on the work experience, skills, competencies, integrity and commitment of any potential candidate before recommending them to the CEO for consideration, approval and recruitment. Besides, the appointment of Key Senior Management was also made with due regard for diversity in skills, experience, gender, nationality and age. The profiles of the Key Senior Management are furnished on pages 9 to 12 of the Annual Report. The diversity in the age, nationality and gender of the Key Senior Management were as follows in FYE 2023: <table><tr><th colspan="3">Age</th><th colspan="2">Nationality</th><th colspan="2">Gender</th></tr><tr><td>40-49</td><td>50-59</td><td>60-69</td><td>Malaysian</td><td>Foreigner</td><td>M</td><td>F</td></tr><tr><td>3</td><td>3</td><td>1</td><td>7</td><td>0</td><td>7</td><td>0</td></tr></table>										Age			Nationality		Gender		40-49	50-59	60-69	Malaysian	Foreigner	M	F	3	3	1	7	0	7	0
Age			Nationality		Gender																									
40-49	50-59	60-69	Malaysian	Foreigner	M	F																								
3	3	1	7	0	7	0																								
Explanation for departure :																														
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.																														
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 5.6

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

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

Application	:	Applied	
Explanation on application of the practice	:	The Board delegates to the NC the responsibility of recommending the appointment of any new Director. The NC is responsible to ensure that the procedures for appointing new Directors are transparent and rigorous and that appointments are made on merits as disclosed under their ToR. The NC will consider to engage the services of professional recruitment firms to source for candidates for directorship or seek independent professional advice whenever necessary. The duties and responsibilities of NC are governed by its ToR which is available on the Company's website at www.rgtberhad.com. During FYE 2023, no new director was appointed.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.7

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

Application	:	Applied
Explanation on application of the practice	:	The profiles of the Directors are set out in the “Profile of Directors” in the Annual Report. These include their age, gender, nationality, qualification, date first appointed to the board, membership of board committee, working experience, occupation, present/past appointment and any conflict of interest. Whereas their interest is included in the “Statistics of Shareholdings” in the Annual Report. The performance of retiring Directors recommended for re-election at the 41st AGM have been assessed through the NC annual evaluation (including the independence of the Independent Non-Executive Director) and recommended to the Board for approval. Whilst for the retiring Directors for the forthcoming 42nd AGM, a statement by the Board and NC being satisfied with the performance and effectiveness of the retiring Directors who offered themselves for re-election at the forthcoming 42nd AGM was stated in the notes accompanying the Notice of 42nd 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

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	The NC is chaired by Dato' Ir. Low Keng Kok who is an Independent Non-Executive Director of the Company. The details/profile of the NC Chairman is disclosed in the Annual Report 2023. The NC shall make recommendations to the Board on the appointment of new Executive and Non-Executive Directors, including making recommendations to the composition of the Board generally and the balance between Executive and Non-Executive Directors appointed to the Board. The NC shall keep under review the leadership needs of the organization with a view of ensuring the continued ability to compete effectively in the organization's marketplace. On 24 August 2023, the NC Chairman led the annual review of the individual Director and Board/Committee effectiveness in relation to FYE 2023 respectively.
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	:	Lee Soo Ching is the sole female Director on the Board presently. The Board values talent at all levels in supporting its growth in long term. The ability of a Director to serve is very much dependent on his calibre, qualification, experience and personal attributes. In this respect, the Board is presently of the view that there is no necessity to fix a specific gender diversity policy for the time being. The NC and the Board will consider gender diversity as part of its future selection and will look into increasing female board representation going forward. Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 5.10

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

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	The Board is presently of the view that there is no necessity to fix a specific gender diversity policy. In connection with its efforts to create and maintain a diverse Board, the NC will review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board at least annually; and make recommendations to the Board with regards to any adjustment that are deemed necessary. Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>											
Application	: Applied										
Explanation on application of the practice	The NC reviews annually the required mix of skills and experience of the Board, including core competencies which non-executive directors should bring to the Board and assesses the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual director. The NC established a set of appraisal form which comprising quantitative and qualitative performance criteria to evaluate the performance of each member of the Board, each Board Committee and reviewing the performance of the Board as a whole. The areas covered are as follows: <table><tr><th>Annual Evaluation</th><th>Assessment Criteria</th></tr><tr><td>Individual Director self evaluation</td><td> • Professional qualification & skills • Knowledge & experience • Interaction with the Board / Management • Participation and contributions during Board meetings • Other traits / strengths • Management skills & abilities </td></tr><tr><td>Assessment of independency of Independent Directors</td><td>As prescribed under Paragraph 1.01 and Practice Note 13 of MMLR.</td></tr><tr><td>Board evaluation</td><td> • Board structure • Board operations • Board roles & responsibilities • Board Chairman's role & responsibilities </td></tr><tr><td>Board Committee evaluation</td><td>Quality and composition, skills and competencies, meeting administration & conduct are evaluated by Chairman of the NC</td></tr></table>	Annual Evaluation	Assessment Criteria	Individual Director self evaluation	• Professional qualification & skills • Knowledge & experience • Interaction with the Board / Management • Participation and contributions during Board meetings • Other traits / strengths • Management skills & abilities	Assessment of independency of Independent Directors	As prescribed under Paragraph 1.01 and Practice Note 13 of MMLR.	Board evaluation	• Board structure • Board operations • Board roles & responsibilities • Board Chairman's role & responsibilities	Board Committee evaluation	Quality and composition, skills and competencies, meeting administration & conduct are evaluated by Chairman of the NC
Annual Evaluation	Assessment Criteria										
Individual Director self evaluation	• Professional qualification & skills • Knowledge & experience • Interaction with the Board / Management • Participation and contributions during Board meetings • Other traits / strengths • Management skills & abilities										
Assessment of independency of Independent Directors	As prescribed under Paragraph 1.01 and Practice Note 13 of MMLR.										
Board evaluation	• Board structure • Board operations • Board roles & responsibilities • Board Chairman's role & responsibilities										
Board Committee evaluation	Quality and composition, skills and competencies, meeting administration & conduct are evaluated by Chairman of the NC										

	On 24 August 2023, the above assessments were carried out in respect of the FYE 2023. Based on the assessment, NC was satisfied with the existing Board composition and was of the view that the Company has the necessary mix of skill, experience and other necessary qualities to serve the Board and Board Committee effectively.			
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

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	:	The Board has formalized a Remuneration Policy that supports the Directors and key senior management in carrying out their responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Company's objective in this respect is to offer a remuneration package that is competitive to attract, develop and retain talented individuals to serve as Directors and key senior management. The RC is entrusted by the Board to review and recommend matters relating to the remuneration of Directors and key senior management. The EDs and Senior Management concerned shall not participate in the decision of his own remuneration. However, in event where the presence of ED is required, the Chairman of the RC may invite the ED(s) or Senior Management to attend to such meeting. The Remuneration Policy is based on the following key principles: • Total remuneration should be set at levels that are competitive with the relevant markets; • A significant portion of the total reward of an ED should be performance-based; • Incentive plans, performance measure and targets should aligned to shareholders' interest. As a procedure: • The remuneration packages of IDs who serve on the Board and Board Committees is reviewed by the RC annually and thereafter recommend to the Board for their consideration with the Director concerned abstaining from deliberations and voting on decision in respect of his/her individual remuneration package.

	The Board will then recommend the payment of the Directors' fees and other benefits payable to IDs to the shareholders for approval at each AGM. The Remuneration policy and procedures are periodically reviewed by the RC and are available at the Company's website at www.rgtberhad.com.	
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	:	During FYE 2023, the RC comprises entirely IDs. The ToR of the RC delineate the roles and responsibilities in relation to the remuneration matters are available at Company’s website. The details of the Directors’ Remuneration paid and payable by the Company and the Group on a named basis (including the components of directors’ fees, salaries, bonuses / incentives, and other benefits) for the FYE 2023 are disclosed in the Corporate Governance Overview Statement of the Company’s Annual Report 2023.	
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 disclosure is as per attached.

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' Ir. Low Keng Kok	Independent Director	60.00	2.50	-	-	-	-	62.50	60.00	2.50	-	-	-	-	62.50
2	Datuk Lim Seat Hoe	Executive Director	-	-	-	-	-	-	-	-	-	504.00	21.00	20.12	32.23	577.35
3	Lee Soo Ching	Executive Director	-	-	-	-	-	-	-	-	-	336.00	28.00	28.00	44.80	432.46
4	Dr. Ooi Hun Pin	Independent Director	42.00	2.50	-	-	-	-	44.50	42.00	2.50	-	-	-	-	44.50
5	Ng Choon Keat	Executive Director	-	-	-	-	-	-	-	-	-	384.00	16.00	20.12	49.12	469.24
6	Dato' Lim Yong Jin	Independent Director	36.00	2.50	-	-	-	-	38.50	36.00	2.50	-	-	-	-	38.50
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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 Senior Management's remuneration on a named basis will give rise to recruitment and talent retention issues and may lead to the performing Senior Management staff being lured away by the competitors and this will not be in the best interest of the Group. Alternative practice: the remuneration package of Senior Management is reviewed annually during the Company's annual performance review and their remuneration packages are brought to the attention of the RC for their approval.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board does not wish to disclose on a named basis of the top 3 Senior Management's remuneration.
Timeframe	:	Others

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	:	The Chairman of the AC is not the Chairman of the Board. The Chairman of the Board and Chairman of the AC is Dato’ Ir. Low Keng Kok and Dr. Ooi Hun Pin, respectively. Both of them are ID of the Company. The ToR of the AC has stated that “The Chairman of the AC must not be the Chairman of the Board” which is in line with Practice 9.1 of the MCCG. The ToR of the AC is available on the Company’s website at www.rgtberhad.com.	
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	:	The Company has always recognised the need to uphold independence. None of the members of the Board were former key audit partners. Whilst this practice has always been adopted by the Company, the ToR of the AC has been reflecting the requirements in Practice 9.2 of the MCCG.	
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	:	The Board adopted an External Auditors Assessment Policy which stipulates the guidelines and procedures to be followed by the AC in assessing, reviewing and supervising the performance, suitability and independence of the External Auditors. The Board maintains a transparent relationship with external auditors. Members of the AC meet the external auditors at least twice a year without the presence of the executive Board members to discuss the results and concerns arising from their audit. The AC undertakes an annual assessment of the suitability and independence of the external auditors and is satisfied with the level of independent and performance of the external auditors including quality of audit review procedures, adequacy of audit firm's expertise, its resources to carry out the audit work according to the audit plan. The AC has considered the non-audit services provided by the external auditors during financial year under review and concluded that the provision of these services did not compromise the external auditors' independence and objectivity. The external auditors have confirmed to the AC that they are, and have been, independent throughout the conduct of the audit. After having assessed and satisfied with the performance of the External Auditors and its audit independence, on 24 August 2023, the AC had recommended the re-appointment of the External Auditors to the Board for approval by its shareholders at the forthcoming 42nd 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 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	:	The AC comprised solely of IDs throughout FYE 2023. As of the publication of this CG Report, the AC still comprised solely of IDs.

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	:	The members of the AC possess a mix of skill, knowledge and appropriate level of expertise and experience to enable them to discharge their duties and responsibilities pursuant to the ToR of the AC. All the members of the AC are financially literate and are able to understand, analyse and challenge matters under purview of the AC including financial reporting process. A copy of the AC report can be found in the Annual Report. The AC members’ profile is available at the Director’s Profile section of the Annual Report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Board has established an effective risk management and internal control framework. The risk management framework determines the Group’s level of risk tolerance and identify, assess and manage significant business risks faced by the Group. The system of internal control covers financial, operational and compliance aspects. The Board was of the view that the risk management and internal control system was satisfactory and effective and has not resulted in any material losses incurred during the FYE 2023.	
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 10.2

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	:	The RMC has an overall responsibility for monitoring and approving the risk management framework and ensure that risk management is embedded in all key processes implemented by the Group, evaluating the potential impact and likelihood of the risks identified and mitigating controls. The AC evaluates the adequacy and effectiveness of the Group's internal control systems by reviewing the actions taken on deficiencies identified in reports provided by both the internal and external auditors. The AC also reviews the internal and external auditors' recommendation and management responses to these recommendations to ensure that they are working adequately and promptly. The key features of the risk management and internal control framework are set out in the Statement of Risk Management and Internal Control on the Annual Report 2023.
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	:	Not Adopted
Explanation on adoption of the practice	:	

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	:	The Company has engaged a professional consulting firm, BDO Governance Advisory Sdn. Bhd. ("BDO"), to carry out internal audit function and provide independent assurance on the adequacy and effectiveness of the risk management and internal control of the Group. The key features and state of internal control and risk management of the Group are furnished in the Statement on Risk Management and Internal Control in this Annual Report. The information relating to AC's assessment on internal audit function is set out in the AC's Report in the Annual Report 2023.	
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	:	BDO Governance Advisory Sdn. Bhd. (“BDOGA”) has given assurance that it and its personnel are not related to any of the Directors of the Group and have no conflict of interest with the Group. Save for the internal audit service, there is no other engagement between the Group and BDOGA which may create conflict of interest or impair their objectivity and independence. Mr. Karthigayan A/L Supramaniam, Executive Director, BDOGA and is the lead internal auditor responsible for the internal audit of the Group. He is a member of Institute of Internal Auditors Malaysia (“IIAM”) The internal audit function is headed by a Director who is assisted by an audit team comprising managers and executives. The Director in charge is a member of the Institute of Internal Auditors Malaysia (“IIAM”). BDOGA has conducted their work in consideration of the broad principles of the International Professional Practice Framework of IIAM covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders. The internal auditor reports directly to the AC. The internal audit is carried out in accordance with the Internal Audit Plan as approved by the AC and all audit findings arising therefrom are reported directly to the AC. Information on internal audit function is disclosed in the Company’s Annual Report 2023.
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	:	The Company uses various channels of communications to enable the Board and management to continuously communicate, disclose and disseminate comprehensive and timely information to stakeholders. The channels included disclosure through Bursa Securities' website at www.bursamalaysia.com, general meetings and the Company's website at www.rgtberhad.com. Stakeholders may communicate any concerns or queries through the Company's website at www.rgtberhad.com under "Contact us" tab. In part to strengthen the Company's relationship with the stakeholders, the Company will inform all major developments and performance of the Group through timely announcements on quarterly and annual results as well as various disclosures and announcements made to the Bursa Securities via the Bursa Link, press releases, annual reports and circulars to shareholder. The Company continues to maintain an active dialogue with stakeholders with the intention of sharing as much as possible, a clear and comprehensive picture of the Group's performance and position but is mindful of legal and regulatory framework governing the release of material and price-sensitive information.
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	:	The Company dispatched the notice of 41st AGM on 18 October 2022, more than 28 days ahead of AGM held on 18 November 2022. The Notice of the 42nd AGM would be sent on 17 October 2023 for holding the said AGM on 17 November 2023, which is also more than 28 days prior to the meeting. Background information on resolutions proposed at the 42nd AGM are provided to enable shareholders to consider the resolutions thoroughly and make informed decision in exercising their voting rights during AGM.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.2

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

Application	:	Applied	
Explanation on application of the practice	:	The 41 st AGM was physically held on 18 November 2022. All members of the Board and representatives of the Management attended the meeting to respond to the questions raised by shareholders/proxies.	
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	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	To encourage maximum shareholder participation, the Company holds its general meetings at easily accessible locations and provides shareholders with the option to appoint proxies to vote on their behalf when they are unable to attend in person. This approach is to ensure that shareholders are able to exercise their voting rights and have a voice in an important decision-making process, regardless of their physical presence at the meeting.	
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
Timeframe	:	Choose an item.	

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	:	During the meeting, the Independent Non-Executive Chairman will invite shareholders to raise question pertaining to the proposed resolution before putting the motion to vote by poll. All members of the Board and representatives of the Management attended the meeting to respond to the question raised by shareholders or proxies.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.5

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

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

Intended Outcome

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

Practice 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the general meetings held during FYE 2023 are available, within 30 business days after the general meetings, on the Company's website at www.rgtberhad.com .
Explanation for departure	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

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

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

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