

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5259
COMPANY NAME : E.A. TECHNIQUE (M) BHD
FINANCIAL YEAR : December 31, 2023

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT 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>At the core of its responsibilities, the Board sets strategic goals for the Company, ensuring alignment with its overarching vision and mission. Recently, the Board approved the Group's 5-Year Strategic Business Plan (2024-2028), underscoring a commitment to sustainable growth and profitability amidst prevailing economic challenges and industry dynamics.</p> <p>The corporate governance framework is reinforced by the Company's Limits of Authority ("LOA"), which delineates decision-making boundaries for each level of management within the organization. The LOA manual serves as a comprehensive guide, clearly defining matters reserved for the Board's approval and those delegated to senior management. Within this framework, the LOA manual outlines authority over various aspects such as payments, investments, capital and revenue expenditure spending limits, budget approvals, contract commitments, and non-financial matters. By establishing these clear parameters, the LOA manual fosters accountability and facilitates decision-making processes at the appropriate levels within the organizational hierarchy.</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

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 Board, under the guidance of Group Chairman Dato' Mohd Redza Shah Abdul Wahid, an Independent Non-Executive Director, undertakes the responsibility to shareholders and diverse stakeholders to create and deliver sustainable value and long-term success through adept leadership and management of the Group's business and operations. This commitment aligns closely with the Group's overarching vision and mission.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied						
Explanation on application of the practice	:	<p>In adherence to sound governance principles, E.A. Technique (M) Berhad upholds a clear demarcation between the roles of the Group Chairman and the Chief Executive Officer. This strategic separation ensures a balanced distribution of authority and delineation of responsibilities within the organization.</p> <p>The Group Chairman, entrusted with a non-executive function, leads the Board in its management oversight, presides over board meetings, and sets the tone for governance standards. In this capacity, the Group Chairman is a conduit between the Board and Management, fostering effective communication and aligning objectives.</p> <table border="1"> <thead> <tr> <th style="background-color: #800000; color: white;">CHAIRMAN – Dato' Mohd Redza Shah Abdul Wahid</th> <th style="background-color: #800000; color: white;">CEO – Nasrul Asni Mohammad Dain</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> ▪ Providing leadership to the Board ▪ Chairing meetings of the Board in such a manner that will stimulate debate on issues before the Board and encourage the most effective contribution from each member ▪ Chairing meetings of shareholders ▪ Ensuring the Board's full discharge of its duties ▪ Identifying guidelines for the conduct of directors, and ensuring that each director is making a significant contribution ▪ Acting as liaison between the Board and management ▪ Ensuring that the Board's strategic direction and planning process is established ▪ Working with the Nomination Committee and Remuneration Committee </td> <td> <ul style="list-style-type: none"> ▪ Foster a corporate culture that promotes ethical practice, encourages individual integrity and fulfil social responsibility ▪ Develops and recommends to the Board a long-term strategy and vision for the Group that led to the creation of shareholders' value ▪ Develops and recommends to the Board the Groups' operational plans and budget that support the Group's short to long term strategy ▪ Ensure achievement of objectives and goals, as contained in the strategic plan ▪ Manage the overall business and oversee the day-to-day operation of the Group ▪ Formulate and oversee the implementation of major corporate policies </td> </tr> <tr> <td colspan="2" style="background-color: #800000; color: white; text-align: center;">The roles of Chairman and CEO are held by two (2) separate individuals</td> </tr> </tbody> </table>	CHAIRMAN – Dato' Mohd Redza Shah Abdul Wahid	CEO – Nasrul Asni Mohammad Dain	<ul style="list-style-type: none"> ▪ Providing leadership to the Board ▪ Chairing meetings of the Board in such a manner that will stimulate debate on issues before the Board and encourage the most effective contribution from each member ▪ Chairing meetings of shareholders ▪ Ensuring the Board's full discharge of its duties ▪ Identifying guidelines for the conduct of directors, and ensuring that each director is making a significant contribution ▪ Acting as liaison between the Board and management ▪ Ensuring that the Board's strategic direction and planning process is established ▪ Working with the Nomination Committee and Remuneration Committee 	<ul style="list-style-type: none"> ▪ Foster a corporate culture that promotes ethical practice, encourages individual integrity and fulfil social responsibility ▪ Develops and recommends to the Board a long-term strategy and vision for the Group that led to the creation of shareholders' value ▪ Develops and recommends to the Board the Groups' operational plans and budget that support the Group's short to long term strategy ▪ Ensure achievement of objectives and goals, as contained in the strategic plan ▪ Manage the overall business and oversee the day-to-day operation of the Group ▪ Formulate and oversee the implementation of major corporate policies 	The roles of Chairman and CEO are held by two (2) separate individuals	
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Explanation for departure	:							
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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	: With the issuance of the revised MCGG in April 2021, Practice 1.4 specified that the Chairman of the Board would be excluded from the Audit, Nomination and Remuneration Committee. However, it is pertinent to acknowledge that adherence to this practice is currently undergoing evaluation. At present, Dato' Redza Shah Abdul Wahid, the Independent Non-Executive Chairman, who is also the Chairman of the Nomination and Remuneration Committee. In this respect to the revised MCGG, EA Technique will consider the said change in 2024.
<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 benefits from the dedicated support of two (2) qualified Company Secretaries, certified under the Companies Act 2016, who provide essential guidance on statutory compliance, regulatory adherence, and corporate governance standards. With legal training and accreditation, they assist the Board and Management in navigating complex regulatory landscapes, ensuring the Group's operations align with established governance norms. These Company Secretaries play a pivotal role in advising on matters ranging from the Group's constitution to Board policies and procedures. They are equipped to keep abreast of regulatory developments through ongoing training and industry engagement.	
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	:	Since 2019, E.A. Technique has utilized board meeting software, specifically "Convene." Prior to each board meeting, all Directors receive an agenda and a comprehensive set of Board papers. Ample notice is provided to allow Directors ample time for review. The material pack of Board papers encompasses minutes from prior meetings, quarterly and annual financial statements, corporate updates, minutes from Board Committee meetings, proposals for acquisitions and disposals, updates from Bursa Malaysia, lists of circular resolutions passed by directors and reports on Directors' dealings in securities, if applicable.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 2.1

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

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

Application :	Applied										
Explanation on application of the practice	<p>The Board Charter serves as a comprehensive guide for Directors, delineating matters concerning the Board and its procedures. Additionally, it defines the roles and obligations of the Group Chairman, the CEO, and the Board collectively.</p>										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #800000; color: white;"> <th style="width: 33%;">BOARD Roles & Responsibilities</th> <th style="width: 33%;">CHAIRMAN – Dato' Mohd Redza Shah Abdul Wahid</th> <th style="width: 33%;">CEO – Nasrul Asni Mohammad Dain</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <ul style="list-style-type: none"> • Reviewing and adopting a strategic plan for Company • Overseeing the conduct of the Company's business • Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures • Succession planning • Overseeing the development and implementation of shareholder communication policy for the Company • Reviewing the adequacy and integrity of the Company's management information and internal control system </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> • Providing leadership to the Board • Chairing meetings of the Board in such a manner that will stimulate debate on issues before the Board and encourage the most effective contribution from each member • Chairing meetings of shareholders • Ensuring the Board's full discharge of its duties • Identifying guidelines for the conduct of directors, and ensuring that each director is making a significant contribution • Acting as liaison between the Board and management • Ensuring that the Board's strategic direction and planning process is established • Working with the Nomination Committee and Remuneration Committee </td> <td style="vertical-align: top;"> <ul style="list-style-type: none"> • Foster a corporate culture that promotes ethical practice, encourages individual integrity and fulfill social responsibility • Develops and recommends to the Board a long-term strategy and vision for the Group that led to the creation of shareholders' value • Develops and recommends to the Board the Groups' operational plans and budget that support the Group's short to long term strategy • Ensure achievement of objectives and goals, as contained in the strategic plan • Manage the overall business and oversee the day-to-day operation of the Group • Formulate and oversee the implementation of major corporate policies </td> </tr> <tr style="background-color: #800000; color: white;"> <td colspan="3" style="text-align: center; padding: 2px;">The roles of Chairman and CEO are held by two (2) separate individuals</td> </tr> </tbody> </table> <p>The Board Charter has been reviewed and approved by the Board and is made available on the Company's website, www.eatechnique.com.my</p>			BOARD Roles & Responsibilities	CHAIRMAN – Dato' Mohd Redza Shah Abdul Wahid	CEO – Nasrul Asni Mohammad Dain	<ul style="list-style-type: none"> • Reviewing and adopting a strategic plan for Company • Overseeing the conduct of the Company's business • Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures • Succession planning • Overseeing the development and implementation of shareholder communication policy for the Company • Reviewing the adequacy and integrity of the Company's management information and internal control system 	<ul style="list-style-type: none"> • Providing leadership to the Board • Chairing meetings of the Board in such a manner that will stimulate debate on issues before the Board and encourage the most effective contribution from each member • Chairing meetings of shareholders • Ensuring the Board's full discharge of its duties • Identifying guidelines for the conduct of directors, and ensuring that each director is making a significant contribution • Acting as liaison between the Board and management • Ensuring that the Board's strategic direction and planning process is established • Working with the Nomination Committee and Remuneration Committee 	<ul style="list-style-type: none"> • Foster a corporate culture that promotes ethical practice, encourages individual integrity and fulfill social responsibility • Develops and recommends to the Board a long-term strategy and vision for the Group that led to the creation of shareholders' value • Develops and recommends to the Board the Groups' operational plans and budget that support the Group's short to long term strategy • Ensure achievement of objectives and goals, as contained in the strategic plan • Manage the overall business and oversee the day-to-day operation of the Group • Formulate and oversee the implementation of major corporate policies 	The roles of Chairman and CEO are held by two (2) separate individuals	
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Explanation for departure											
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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>Aligned with the paramount duty to uphold honesty, fairness, and integrity, the Directors are dedicated to fostering exemplary business conduct and nurturing a robust corporate culture. This ethos prioritizes integrity, transparency, and fairness in all organizational endeavors.</p> <p>To reinforce these principles, the Directors have implemented a set of ethical standards, detailed within the CG Report, which include:</p> <ol style="list-style-type: none">1. Code of Ethics2. Whistleblowing Policy3. Anti-Bribery Policy <p>Code of Ethics</p> <p>The Company upholds a robust Code of Ethics ("COE"), accessible to all stakeholders on our corporate website, www.eatechnique.com.my. This Code serves as a guiding framework, delineating the principles, practices, and standards of conduct expected from every member of the E.A. Technique Group, including Directors and employees. It emphasizes the importance of ethical behavior, integrity, and accountability in all business activities and operations. It is incumbent upon all members of the E.A. Technique Group to adhere strictly to the provisions outlined in the Code of Ethics.</p> <p>Whistle Blowing Policy</p> <p>The Whistle Blowing Policy at E.A. Technique Group allows employees to report unethical or illegal conduct without fear of reprisal. This policy underscores the Company's commitment to maintaining a culture of transparency, integrity, and accountability throughout its operations. Employees can make confidential disclosures through established channels. The Company promptly investigates all reports and protects the whistle-blower's identity. This policy reflects our commitment to upholding high ethical standards and addressing concerns effectively.</p>

	<p>Anti-Bribery Policy The Company has duly acquired the Anti-Bribery Management System ("ABMS") certificate on 6 May 2021 and has been actively engaged in its implementation since 2020. This policy serves as a robust reinforcement of E.A. Technique's Code of Conduct & Business Ethics, unequivocally emphasizing our steadfast commitment to eradicating bribery and corruption. It is designed to instil a clear understanding among employees of their imperative duty to uphold stringent anti-bribery measures within the organization.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

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 Whistleblowing Policy of E.A. Technique Group establishes a formal mechanism for employees to disclose instances of unethical, unlawful, or undesirable conduct in good faith, free from the fear of retaliation. Confidentiality is strictly maintained regarding the identity of the whistleblower and the concerns raised.</p> <p>Employees are encouraged to report incidents of malpractice to their immediate supervisors. However, should an employee feel hesitant for any reason, they may confidentially express their concerns to designated individuals such as the Chief Executive Officer or Chief Financial Officer. Alternatively, concerns can be raised with appointed persons via email at topmanagement@eatechnique.com.my.</p> <p>In the event that concerns remain unresolved after following these channels, employees are advised to contact the Independent Director at acchairman@eatechnique.com.my.</p> <p>This policy has undergone thorough review and approval by the Board and is made accessible on our corporate website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.1

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>One of the key responsibilities outlined in the Board Charter is the review and adoption of a strategic plan for the Company. This entails the Board's meticulous scrutiny and approval of the annual budget and strategic roadmap for the Group over a span of five (5) years.</p> <p>Central to our business strategy is a firm commitment to responsibility and sustainability, with stakeholders' concerns serving as pivotal inputs in shaping our corporate direction. We firmly believe that active engagement with stakeholders is instrumental in identifying potential risks and opportunities for our business. As such, the Board bears the ultimate responsibility for ensuring the seamless integration of sustainability principles into E.A. Technique's strategic trajectory and operational framework. To realize this objective, the Board consistently reinforces a robust governance framework for sustainability across the Group.</p> <p>At E.A. Technique, we have established a dedicated Risk & Governance Committee ("RGC") at the board level, chaired by Ir. Dr Shahreen Zainooreen Madros. The RGC convenes regularly, in collaboration with the senior management team, to ensure alignment between the Group's strategic plan and its long-term value creation and sustainability objectives.</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 4.2

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>E.A. Technique's sustainability strategies, priorities, and targets undergo meticulous development, monitoring and review, guided by a thorough materiality assessment.</p> <p>Reflecting our commitment to sustainability, we prioritize initiatives across 13 key areas, ranked according to their significance: Occupational Health and Safety, Regulatory Compliance, Data Privacy and Cybersecurity, Corporate Governance and Anti-Corruption, Service Quality and Customer Satisfaction, Labour Standards and Human Rights, Economic Performance, Supply Chain Management, Energy Management and Climate Change, Waste and Effluent Management, Community Engagement, Water Consumption, and Diversity and Inclusion.</p> <p>For detailed insights into E.A. Technique's Sustainability Report and initiatives, please refer to the Annual Report.</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, senior management, and relevant Board Committees collaborate extensively to oversee the implementation of the Sustainability Policy, which includes facilitating regular performance evaluations and establishing appropriate sustainability targets. As part of this commitment, E.A. Technique has adopted the Statement of Policy on Quality, Health, Safety and Environment Protection (QHSE Policy). This policy aims to ensure safe practices in ship operation and maintain a safe working environment, continuously enhancing the safety management skills of personnel both ashore and onboard. It also encompasses readiness for safety and environmental emergencies, risk mitigation measures, and compliance with regulatory requirements.</p> <p>Continuous and transparent communication of environmental, social, and governance targets and performance to all stakeholders of the Group is a priority for the Company. The Board is responsible for approving the Sustainability Statement included in the Annual Report for the financial year 2023.</p> <p>In line with our commitment to robust sustainability governance, a Sustainability Governance Structure has been established. The Sustainability Steering Committee, composed of the CEO, CFO, and GM, works diligently to oversee sustainability initiatives. This committee reports to the Risk and Governance Committee, which in turn reports to the Board of Directors. Furthermore, the Sustainability Policy was formally tabled during the financial year 2023.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 4.4

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	:	Departure	
Explanation on application of the practice	:	Please provide an explanation on the adoption.	
Explanation for departure	:	The Board has yet to incorporate the assessment of the Board and Senior Management's performance in addressing the Company’s material sustainability risks and opportunities into the Company’s performance evaluation process.	
		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

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

Practice 4.5- Step Up

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

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
Application	: Adopted
Explanation on adoption of the practice	: <p>EA Technique has appointed a dedicated executive as the environmental, social, and governance (ESG) Coordinator, who will be supervised by the management. The appointed executive in charge of managing sustainability matters have a pivotal role within the company, guided by the oversight and strategic direction of management. The responsibilities include staying abreast of the latest developments in sustainability and advising management on compliance with the regulations set by Bursa Malaysia.</p> <p>In this role, the staff tasked with presenting various strategies and best practices to management, fostering discussions to determine the most effective path toward long-term sustainability. This collaborative process is essential as we strive to align our business practices with both local and global sustainability expectations.</p> <p>A key component of his responsibilities is the collection, analysis, and reporting of data concerning the company's performance on ESG criteria. This includes the preparation of a sustainability report that adheres to international standards such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). The sustainability report is then included in the company's annual report.</p> <p>Through these efforts, we aim to embed sustainability into the core of our business operations, ensuring that our growth is balanced with environmental stewardship, social responsibility, and robust governance.</p>

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>Every Board Member of E.A. Technique undergoes a thorough selection process, meticulously evaluating their academic and professional qualifications, depth of knowledge, skills, experience, and personal attributes crucial for effective governance.</p> <p>The Nomination Committee is entrusted with evaluating the performance of Directors whose terms are nearing expiration. Following a comprehensive assessment, the Nomination Committee submits recommendations to the Board for consideration regarding the reappointment of the respective Director.</p> <p>In accordance with the Company's Articles of Association, at least one third (1/3) or the number nearest to one third (1/3) of Directors, including the Managing Director, shall be subject to retirement by rotation once in every three (3) years. Retiring Directors can offer themselves for re-election. Directors who are appointed by the Board during the year are required to retire and seek for re-election by the shareholders at the next annual general meeting ("AGM") to be held following their appointments</p> <p>Further, in making a recommendation to the Board on the candidate for directorship, Nomination Committee shall have regard to size, composition, mix of skills, experience, competencies and other qualities of the existing Board, level of commitment, resources and time that the recommended candidate can contribute to the existing Board.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.2

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 composition of the Board of EA Technique, as of 31 December 2023, remains robust, comprising six (6) Directors, including four (5) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. These individuals were meticulously selected for their exceptional expertise, extensive experience, unwavering integrity, and commendable character, ensuring a balanced and competent leadership team. The Board is steadfast in adhering to regulatory guidelines regarding Board composition, with most Independent Directors possessing diverse expertise and skills from various fields.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.3

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>One of the recommendations outlined in the Malaysian Code of Corporate Governance ("the Code") stipulates that the tenure of an Independent Director should not exceed a cumulative nine (9) years. However, Abdul Azmin bin Abdul Halim ("Mr. Azmin") has served as an Independent Director of the Company for a cumulative term exceeding nine (9) years since April 15, 2014.</p> <p>During the 29th Annual General Meeting, the Board recommended and sought shareholders' approval through a two-tier voting process to retain Mr. Azmin, who had served as an Independent Director for more than 9 years. Mr. Azmin abstained from participating in any deliberations or voting regarding his independence at the Board level.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.4 - Step Up

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

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

Application	:	
Explanation on adoption of the practice	:	<p>As delineated in our Board Charter, the tenure of an independent director is stipulated not to exceed a cumulative term of nine (9) years.</p> <p>Nevertheless, upon reaching the culmination of this nine-year period, the independent director may be eligible to continue serving on the Board, contingent upon their re-appointment as a non-independent director.</p> <p>Should the intention be for the director to maintain their status as an independent director beyond this tenure, the Board is required to provide rationale and seek shareholders' approval prior to such continuation.</p>

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	:	The Board acknowledges the critical significance of diversity in crafting its composition, with due consideration given to the requisite skills, knowledge, and experience essential for augmenting Board effectiveness. Diverse representation is thoroughly contemplated across multiple dimensions, encompassing gender, age, educational background, professional expertise, skills, and knowledge. Under the purview of the Nomination Committee, the Board remains steadfast in its commitment to actively seek candidates representing various genders, age groups, and ethnicities, possessing the requisite skills, experience, and attributes requisite for optimal governance, as an integral facet of its selection process.
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	:	Applied
Explanation on application of the practice	:	<p>In response to the regulatory changes introduced by Bursa Malaysia in January 2022, the Company has diligently formulated and adopted a Fit and Proper Policy for the Board, a crucial step in enhancing governance and integrity within our organization.</p> <p>Endorsed by the Nomination Committee and Remuneration Committee on 14 December 2022, this policy stands as a cornerstone guiding the meticulous selection and evaluation of Director candidates. The policy establishes transparent guidelines for appointing and evaluating directors in compliance with Bursa Malaysia Securities Berhad's Main Market Listing requirements and other relevant regulations. The policy ensures that directors possess requisite character, integrity, competence, and independence, with criteria including probity, personal and financial integrity, reputation, qualifications, relevant experience, and time commitment. It mandates fit and proper evaluations before initial appointments and re-elections, considering both individual and collective criteria and allowing for contextual assessments of any lapses in meeting specific criteria.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.7

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

Application	:	Applied	
Explanation on application of the practice	:	The profiles of Directors are prominently featured in the Integrated Annual Report and on E.A. Technique's corporate website. These profiles comprehensively detail pertinent information, including the Directors' age, gender, date of appointment, directorships held in other entities, professional background, qualifications, disclosure of any potential conflicts of interest, and their holdings in E.A. Technique, if applicable.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of the Board, who is an Independent Non-Executive Director is appointed as the Chairman of the Nomination Committee on 15 March 2020. Dato' Mohd Redza Shah Abdul Wahid is well-placed to act on behalf of the Company and act in the best interest of all shareholders. He is able to align the evaluation of existing Directors and selection of new Directors with the Company's requirements. This ensures adequate checks and balances in the decision-making process as the Board is also required to endorse the recommendations and final decisions of the Nomination Committee.</p> <p>His strong views and character, dynamic personality, inquisitive nature, and outstanding leadership skills, coupled with the support of his fellow committee members, create a strong foundation for an effective NC.</p> <p>The current composition of the Nomination Committee comprises of two (2) Independent Non-Executive Directors and one (1) Independent Non-Executive Chairman.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board actively promotes and endorses increased participation of women in key decision-making roles within the Company, as it endeavors to achieve a target of 30% female representation in the Board composition. As of 31 December 2023, out of the six (6) Directors, one (1), constituting 17%, is female. While the Board has not established a specific quota for the appointment of additional female directors, it wholeheartedly embraces gender diversity, recognizing that such inclusion is always aligned with the best interests of the Company.</p> <p>Please provide an alternative practice and explain how the alternative practice meets the intended outcome.</p>
<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	:	<p>E.A. Technique currently do not have a specific policy on gender diversity. However, we firmly assert that fostering a genuinely diverse and inclusive Board is essential for leveraging variances in perspectives, knowledge, skills, regional and industry experiences, cultural backgrounds, age, and gender. This approach is integral to safeguarding E.A. Technique's competitive advantage.</p> <p>The Nomination Committee assumes responsibility for rigorously reviewing and assessing the composition and performance of the Board, while also identifying suitable candidates for the senior management team.</p> <p>In terms of gender diversity, our Board and senior management exhibit a diverse profile. Notably, Aziah Ahmad serves as one of our directors, and Mariam Puan holds the position of CFO.</p> <p>Looking ahead, we are committed to formulating a comprehensive policy on gender diversity and will propose its adoption to the Board.</p>
<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	: <p>The efficacy of the Board stands as a critical determinant of the Group's success. Accordingly, a significant portion of the Board Policy Manual is dedicated to elucidating and delineating the format and procedure for evaluating the performance of Board Members. The structured format available for the evaluation of Board Members facilitates their efficient and effective discharge of duties.</p> <p>Annually, the Board, facilitated by the Nomination Committee, conducts a thorough evaluation to gauge the performance of the Board, its Committees, Directors, and the Chairman. This encompasses an assessment of the independence of Independent Directors, considering each Director's capacity to exercise independent judgment consistently.</p> <p>The evaluation encompasses a spectrum of factors, including the composition, skillset, experience, communication, roles, responsibilities, and overall effectiveness of the Board. Directors are required to complete a questionnaire pertaining to the processes of the Board and Committees, their efficacy, and areas for potential enhancement. Furthermore, a peer review is conducted, wherein Directors evaluate their peers' performance against predefined criteria, including their contributions and skillsets. Subsequently, the Company Secretary presents the evaluation findings to the Nomination Committee, which are then noted by the Board.</p> <p>Following the internal performance evaluation process for 2022, the Board has determined that both the Board and its Committees operate effectively. Moreover, the Chairman affirms that each Director continues to make a substantive contribution to the Board's endeavors, demonstrating thorough preparedness and insight into matters under consideration. Additionally, Directors exhibit a robust understanding of</p>

	the Group's operations, coupled with a steadfast commitment to the Company's objectives	
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	:	The Board has implemented a structured and transparent procedure for determining the suitable remuneration packages for its members. Led by the Remuneration Committee, the Board regularly evaluates the overarching remuneration policy for Directors, aiming to maintain an attractive framework that fosters talent retention and acquisition. This approach ensures that the remuneration levels are commensurate with the experience and scope of responsibilities shouldered by the Directors. Moreover, the Board ensures that Director remuneration remains competitive, fitting, and in alignment with prevailing market standards. The Remuneration policy has been reviewed and approved by the Board and is published in our corporate website.	
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 Committee shall have access to pertinent information and counsel, both internal and external to the Group, as deemed necessary or appropriate in accordance with procedures established by the Board and at the expense of the Company. Authorized by the Board, the Committee is empowered to engage external legal or other professional advisors, as well as gather insights into remuneration practices from external sources. Should it deem it necessary, the Committee has the prerogative to enlist the attendance of external advisors possessing relevant experience and expertise. Furthermore, it retains the discretion to determine the attendance of individuals other than its own members at its meetings. It is stipulated that no director or executive shall participate in decisions pertaining to their own remuneration.</p> <p>Additionally, the RC may seek guidance from the Chairperson of the Board on matters concerning the remuneration of executive directors. Furthermore, in evaluating the Managing Director/Chief Executive Officer, the Committee may solicit input from other non-executive directors. The Committee reserves the right to invite other directors and key executives to participate in its meetings as needed to fulfill its duties.</p> <p>The Terms of Reference has been reviewed and approved by the Board and is published in our corporate website, www.eatechnique.com</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 details of the remuneration received by the Non-Executive Directors (NEDs) for the financial year 2023 is set out in a table in the Annual Report

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Dato' Mohd Redza Shah Abdul Wahid	Independent Director	80	36	0	0	0	0	116	80	36	0	0	0	0	116
2	Datuk Mohd Nasir Ali	Independent Director	66	58	0	0	0	0	124	66	58	0	0	0	0	124
3	Rozan Mohd Sa'at	Independent Director	66	31	0	0	0	0	97	66	31	0	0	0	0	97
4	Abdul Azmin Abdul Halim	Independent Director	66	53	0	0	0	0	119	66	53	0	0	0	0	119
5	Ir.Dr. Mohd Shahreen Zainooreen Madros	Independent Director	66	52	0	0	0	0	118	66	52	0	0	0	0	118
6	Aziah Ahmad	Non-Executive Non-Independent Director	0	39	0	0	0	0	39	66	39	0	0	0	0	39
7	New Kok Ho	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	281.37	0	111.75	0	393.12
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				
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				
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14	Input info here	Choose an item.	Input info here													
15	Input info here	Choose an item.	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	:	Not applicable – adopted Step Up 8.3	
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	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.				
2	Input info here	Input info here	Choose an item.	Choose an item.				
3	Input info here	Input info here	Choose an item.	Choose an item.				
4	Input info here	Input info here	Choose an item.	Choose an item.				
5	Input info here	Input info here	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	:	Adopted
Explanation on adoption of the practice	:	Key Management's detailed remuneration paid or payable for the financial year ended 31 December 2023 is disclose in the Annual Report

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Nasrul Asni Muhammad Dain	Chief Executive Officer	495.3	0	0	234	0	729.3
2	Mariam Puan	Chief Financial Officer	280.1	0	0	183.18	0	463.28
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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 Audit Committee comprises of three (3) members, a majority of which are Independent Directors. The Audit Committee is chaired by the Independent Non-Executive Director, Datuk Mohd Nasir Ali.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.2

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

Application	:	Applied	
Explanation on application of the practice	:	All members of the Audit Committee have no prior affiliations as key audit partners with any external audit firms. The Company will adhere to a cooling-off period of 2 years should it contemplate the appointment of such an individual to the Audit Committee in the future.	
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>Through the Audit Committee, the Board fosters a transparent relationship with both Internal and External Auditors, seeking professional guidance on internal controls and ensuring adherence to appropriate accounting standards.</p> <p>The Audit Committee diligently oversees the independence of the external audit function from the activities it audits. It meticulously reviews contracts for non-audit services provided by the External Auditors to prevent conflicts of interest. Excluded contracts encompass management consulting, strategic decision-making, internal audit, and the documentation of standard operating policies and procedures.</p> <p>Empowered to engage in direct communication with both external and internal auditors, the Audit Committee and auditors can promptly address any concerns as they arise.</p> <p>The External Auditors convene with the Audit Committee at least once annually. During these sessions, auditors present and discuss the audit's nature, scope, programme, internal controls, and any pertinent issues requiring the attention of the Audit Committee or 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

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 majority of Audit Committee members consist of Independent Directors, including the Chairman of the Audit Committee. The composition of the Audit Committee comprises two (2) Independent Directors and one (1) Non-Independent Director. This configuration is attributed to the limited number of Directors available.

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 Audit Committee's effectiveness and composition undergo an annual evaluation as part of the Board Evaluation Assessment, aimed at upholding an independent and efficient Audit Committee. The Nomination Committee, overseen by the Board, ensures the appointment of a director possessing financial literacy, requisite knowledge and experience, and a profound understanding of the Company's operations to the Audit Committee. One of the members of the Audit Committee is Puan Aziah Ahmad, who meets the criteria outlined in Paragraph 15.09 (1) (c) of the Malaysian Code on Corporate Governance (MMLR), which mandates that at least one Committee member possess the necessary financial expertise.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has approved a robust risk management and internal control framework to safeguard the Group's assets and interests. The Board regularly reviews these Systems to ensure their effectiveness, adequacy, and integrity and enable appropriate responses to changes in the business environment.</p> <p>Oversight of risk management and internal controls is delegated to the Risk and Governance Committee at the Board level and the Risk Management Committee at the Management level: The Risk & Governance Committee – oversight on governance, internal control and financial matters; and The Risk Management Committee – oversight over risk management.</p> <p>Annually, the External Auditor and the Internal Audit function collaborate with the Risk and Governance Committee to evaluate the efficacy of risk management and internal controls, offering an independent perspective on specific risks and control matters.</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

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 Group's Risk Management and Internal Control Framework specifics are elucidated in the Company's Annual Report within the Statement of Risk Management and Internal Control. Furthermore, the activities of the Risk Management Committee are comprehensively disclosed in the Company'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

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	:	The Risk Management Committee at the board level (Risk & Governance Committee) was instituted on 1 June 2020, as outlined in the Announcement to Bursa. Chaired by Ir. Dr. Mohd Shahreen Zainooreen Madros, an Independent Non-Executive Director, the Risk Management Committee is supported by two (2) other Independent Non-Executive Directors.

Intended Outcome

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Group's internal audit function is conducted by the in-house Internal Audit team of E.A. Technique.</p> <p>The Internal Audit Department ("IAD") directly reports to the Audit Committee and administratively to the CEO. Guided by its Internal Audit Charter, the IAD function aids the Board in fulfilling its fiduciary duties concerning financial, operational, information system, investigative, risk management, and governance processes, as outlined in the approved Annual Audit Plan.</p> <p>On a quarterly basis, the IAD furnishes the Audit Committee with independent and objective reports on the status of internal control, highlighting areas for improvement and providing updates on the implementation status of recommendations.</p> <p>The activities performed by the Internal Audit encompass, among others, assessing the adequacy and effectiveness of the internal control system, adherence to established policies, procedures, laws, and regulations, governance processes, information reliability and integrity, and the safeguarding of assets.</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

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	:	As of 31 December 2023, Internal Audit Department is supervised by Manager Rebacca Soon Kuay Ying and supported by one (1) Internal Audit Senior Executive and one (1) Internal Audit Executive. Holding a Bachelor of Accounting and serving as an associate member of the Institute of Internal Auditors Malaysia, she ensures the department operates in compliance with the standards established by relevant professional bodies, specifically the Institute of Internal Auditors Malaysia. This appointment ensures the independence of the Internal Audit Department from business operations activities
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>E.A. Technique upholds an ethos of openness and transparency in its interactions with shareholders, investors, and stakeholders. Recognizing the pivotal role of effective communication, the Board diligently ensures adherence to the disclosure requirements stipulated by Bursa Malaysia.</p> <p>The Annual General Meeting serves as the primary platform for shareholder engagement. During the AGM, the Board welcomes inquiries from shareholders concerning the Group's business operations.</p> <p>E.A. Technique's Investor Relations meticulously curates a calendar of activities tailored for the investor community. These initiatives aim to furnish investors with comprehensive insights into the Company's strategic direction, financial performance, and latest developments. The investment community remains actively engaged through Quarterly and Financial Results announcements, Investor Relations conferences, in-house analyst briefings, and conference calls.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Over recent years, E.A. Technique has been actively advancing the incorporation of Integrated Reporting ("IR") principles into its annual reporting practices. The inclusion of the Group's inaugural Management Discussion & Analysis ("MD&A") and Sustainability Statements, pivotal components of an IR framework, commenced in E.A. Technique's Annual Report since 2021.</p> <p>Guiding our IR initiatives is the senior management team of the Group, under the oversight of the CEO and the Board of Directors.</p> <p>The Integrated Annual Report showcases the MD&A and Sustainability Statement, demonstrating our commitment to integrated reporting practices</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 13.1

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 Notification to Shareholders regarding E.A. Technique's fully virtual 29th AGM was dispatched to shareholders on 28 April 2023, exceeding the 28-day threshold prior to the meeting. Additionally, the Notice of AGM was published in the New Straits Times newspaper and made accessible on the Company's official website at www.eatechnique.com.my. Since 2017, it has been the Company's established practice to issue the Notice of AGM no less than 28 days before the meeting.</p> <p>In order to facilitate meaningful shareholder participation at the AGM, shareholders and investors are regularly apprised of the Group's latest business and corporate developments.</p> <p>In addition to the Annual Report, company updates are disseminated through circulars to shareholders, press releases, quarterly financial results, and various announcements made periodically to Bursa Malaysia. These updates are also prominently featured on the Company's website.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>All members of the Board of Directors attended the recent AGM, held on 20 June 2023, at the Opero Hotel in Johor Bahru. This meeting marked a return to physical gatherings after two previous board meetings conducted virtually. On this occasion, all board members were present in person to join the AGM, along with the Chairs of respective Board Committees.</p> <p>To facilitate a transparent and interactive shareholder experience, the Chairman of the Board explicitly addressed voting rights. Shareholders and their proxies were informed of their right to request a poll on any resolution presented.</p> <p>The Boardroom Smart Investor Portal (BISP) platform provided a dedicated query box for shareholder inquiries. Questions submitted by shareholders and proxies were addressed by the Chairman, Chief Executive Officer, Chief Financial Officer, other Directors, and the External Auditors who were all in attendance.</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	:	In the 29 th AGM, voting was conducted on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements. Shareholders are allowed to appoint any person(s) as their proxies to attend, participate, speak and vote in his stead at the General Meeting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application :	Applied
Explanation on application of the practice :	<p>At the AGM, the Chief Executive Officer delivered a comprehensive presentation on the E.A. Technique Group's financial performance and business operations for the preceding financial year. This presentation aimed to enhance shareholder understanding of the Company's current state of affairs.</p> <p>The meeting facilitated direct interaction between shareholders and Board members. Shareholders were provided the opportunity to ask questions about specific resolutions or the Company's general operations. Furthermore, the Group Chairman ensured adequate time for shareholder discussion before each resolution was formally proposed.</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	:	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 Annual General Meeting (“AGM”) held on 20 June 2023, were published on the Company’s website at www.eatechnique.com.my within 30 business days from 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	:

**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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