

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5259
COMPANY NAME : E.A. TECHNIQUE (M) BERHAD
FINANCIAL YEAR : December 31, 2022

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>The Board has the primary responsibility for setting the strategic goals of the Company and in fulfilling the said responsibility. The Board had approved the Group's 5-Year Strategic Business Plan (2023-2027) on 23 November 2022, which is driven by sustainable growth, reflects the strategic focus and intensified efforts of the Group's core divisions to strengthen profitability amid the current domestic/global economic challenges and industry outlook.</p> <p>The Corporate Governance is supported by the Company's Limits of Authority ("LOA") which defines the decision-making limits of each level of Management within the Group. The LOA manual clearly outlines matters over which the Board reserves authority and those delegated to the Senior Top Management. These limits cover amongst authority over payments, investment, capital and revenue expenditure spending limits, budget approvals and contract commitments as well as authority over non-financial matters. The LOA manual provides a framework of authority and accountability within the Company and facilitates decision making at the appropriate level in the organisation's hierarchy.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.2

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

Application	:	Applied	
Explanation on application of the practice	:	The Board led by the Group Chairman, Dato' Mohd Redza Shah Abdul Wahid an Independent Non-Executive Director is responsible to the shareholders and various stakeholders for creating and delivering sustainable value and long-term success through its leadership and management of the Group's business and operations, in line with the Group's 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>There is a distinct and clear division of responsibility between the Group Chairman and the Chief Executive Officer (“CEO”), to ensure a strict balance of power and separation of authority. The Group Chairman is responsible for leading and guiding the Board whilst maintaining the highest standard of governance. The Group Chairman also serves as the main link between the Board and Management and particularly between the Board and the CEO.</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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Measure	:							
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Intended Outcome

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

Practice 1.4

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 to exclude the Chairman of the Board as a member of the Audit, Nomination and Remuneration Committee. We are yet to comply with this practice. 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, we will consider the said change and take it into effect in 2023.
<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	:	All Directors have independent access to the advice and dedicated support services by two (2) Company Secretaries, who are legally trained and are qualified to act as company secretary under the Companies Act 2016. To ensure effective functioning of the Board, the Company Secretaries will advise the Board and Management on statutory, regulatory, and corporate development, the implementation of corporate governance measures and compliance that applicable to the Group.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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	:	E.A. Technique has been applying board meeting software namely "Convene" since 2019. All Directors are provided with an agenda and a set of Board papers prior to Board meetings. Sufficient notice is given to the Directors to review the said documents. The material pack of Board papers will include minutes of the previous meeting, quarterly and annual financial statements, corporate developments, minutes of Board Committee meetings, acquisition and disposal proposals, updates from Bursa Malaysia, list of directors' circular resolutions passed and report on the Directors dealings in securities, if any.
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, a source reference document for the Directors, outline matters relating to the Board and its processes. It also sets out the duties and responsibilities of the Group Chairman, the CEO, and the Board as a whole.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #800000; color: white;"> <th style="text-align: left; padding: 5px;">BOARD Roles & Responsibilities</th> <th style="text-align: left; padding: 5px;">CHAIRMAN – Dato' Mohd Redza Shah Abdul Wahid</th> <th style="text-align: left; padding: 5px;">CEO – Nasrul Asni Mohammad Dain</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top; padding: 5px;"> <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; padding: 5px;"> <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; padding: 5px;"> <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: 5px;">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 in 2019 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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Measure :												
Timeframe :												

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board is committed to promoting good business conduct and maintaining healthy corporate culture that emphasizes integrity, transparency and fairness.</p> <p>In line with the overriding responsibility to act honestly, fairly and with integrity, the Directors have put in place the following ethical standards and a brief description of the said ethical standards are provided in the CG Report:</p> <ol style="list-style-type: none">1) Code of Ethics2) Whistle Blowing Policy3) Anti-Bribery Policy <p>Code of Ethics</p> <p>The Company had also made available its Code of Ethics ("COE") on the Company's website, www.eatechnique.com.my. The objective of the implementation of the COE is to enable the exposure of any violations or improper conduct or wrongdoing in the Company. The COE sets out the principles, practices, and standards of personal and corporate behaviour whereby all Directors and employees of E.A. Technique Group are required to comply with. Failure to comply with COE is a serious breach, and appropriate action will be taken for its non-compliance.</p> <p>Whistle Blowing Policy</p> <p>Whistle Blowing Policy of E.A. Technique Group provides an avenue for employees to make good-faith disclosure and report instances of unethical, unlawful, or undesirable conduct without fear of reprisal. The identity of whistle-blower and the concerns raised are treated with the utmost confidently.</p>

	<p>Anti-Bribery Policy</p> <p>The Company has also been officially recognized with the Anti-Bribery Management System (“ABMS”) certificate on 6 May 2021 and has been implementing it since 2020. This Anti-Bribery policy is to further enforce the E.A. Technique’s Code of Conduct & Business Ethics to ensure that employees understand their responsibilities to compliance with the Company zero tolerance for bribery and corruption 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 Whistle Blowing Policy of E.A. Technique Group provides an avenue for employees to make good-faith disclosure and report instances of unethical, unlawful, or undesirable conduct without fear of reprisal. The identity of whistle-blower and the concerns raised are treated with the utmost confidently.</p> <p>Employees can report incidents of malpractice to their line manager. However, if for any reason the employee is reluctant to do so, he/she can channel his/her concern(s) in confidence to appointed persons such as the Chief Executive Officer or Chief Financial Officer. They also have the option of raising their concerns with an 'Appointed Persons' at topmanagement@eatechnique.com.my</p> <p>If these channels have been followed and if employees still have unresolved concerns, then they should contact the Independent Director at ACchairman@eatechnique.com.my</p> <p>The policy has been reviewed and approved by the Board and is published in 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 Board's responsibilities stated in the Board Charter is reviewing and adopting a strategic plan for the Group. The Board will review and approve the annual budget and strategic plan for the Group for five (5) years.</p> <p>Responsible & sustainability is central to our business strategy and stakeholders' concerns are key inputs in mapping out our corporate strategy. We believe active stakeholder engagement will highlight potential risks or opportunities for our business.</p> <p>Accordingly, the Board is ultimately accountable for ensuring that sustainability is integrated into the strategic direction of E.A. Technique and its operations. To achieve this, the Board continuously ensure that there is strong governance framework for sustainability within the Group.</p> <p>At E.A. Technique, we have a Risk & Governance Committee ("RGC") at board level, chaired by Ir. Dr Shahreen Zainooreen Madros. Here, the RGC members together with senior management team will meet every quarter to ensure the strategic plan for the Group supports long term value creation and sustainability goals.</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 are developed and monitored and reviewed from the materiality assessment.</p> <p>There are 10 priorities areas: Economic Performance, OSH, Strong Governance, Customer Satisfaction, Compliance, Pollution and Resource Management, Capability Building, Employee Management and Contribution & Volunteering.</p> <p>The report on E.A. Technique’s Sustainability journey can be found in 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 are fully co-operating and overseeing the execution of the Sustainability Policy including facilitating recurring performance evaluations and the forming of appropriate sustainability performance targets.</p> <p>For instance, the sustainability relating to Environmental, Social and Governance (“ESG”) including their risks and opportunities to/for the Group, E.A. Technique has implemented the Statement of Policy On Quality, Health, Safety And Environment Protection (“QHSE Policy”) with the objective of providing safe practices in ship operation and a safe working environment continuously improving the safety management skills of personnel ashore and onboard including preparing for emergencies related both to safety and environmental protection, establishing safeguards against all identified risks, compliance with mandatory rules and regulations.</p> <p>The Company continuously and constantly communicates the targets and performances of ESG to all the stakeholders of the Group. The Board also approves the Sustainability Statement of the Annual Report for the year financial 2022.</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	:		
Explanation for departure	:		
		The Board is yet to include the review of the performance of the Board and Senior Management in addressing the Company’s material sustainability risks and opportunities in the Company’s performance evaluation 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

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

Practice 4.5- Step Up

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

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

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

Practice 5.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>All the Members of the Board are well qualified to hold their positions as Directors of E.A. Technique in view of their respective academic and professional qualifications, and depth of knowledge, skills and experience and their personal qualities.</p> <p>The Nomination Committee ("NC") is responsible for assessing the performance of Directors whose current term of appointment is due to expire and submitting their recommendation to the Board for decision on the re-appointment of the Director concerned.</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, NC shall have regard to:</p> <ul style="list-style-type: none">•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.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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 Board comprises five (5) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director as at 31 December 2022, who were selected based on their expertise, experience, integrity, and character. The Boards consists of more than half of Independent Directors with expertise and skills from various fields and backgrounds. Thus, there is optimum Board balance and in compliance with the Listing Requirements in respect of the composition of the Board of Directors.	
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 of the Malaysian Code of Corporate Governance ("the Code") states that the tenure of an Independent Director should not exceed a cumulative of nine (9) years. However, Abdul Azmin bin Abdul Halim ("En. Azmin") has served the Board as an Independent Director of the Company for a cumulative term of more than nine (9) years since 15 April 2014.</p> <p>The Board had recommended and sought shareholders' approval in the Twenty-Ninth (29th) Annual General Meeting through a two-tier voting process to retain En. Azmin who had served as Independent Director for more than 9 years. En. Azmin had abstained from any deliberations or voting pertaining to his independent 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.

<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	: Adopted
Explanation on adoption of the practice	: It is stated in our Board Charter. The tenure of an independent director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine years, the independent director may continue to serve the Board subject to the directors' re-appointment as a non-independent director. In the event the director is to remain designated as an independent director, the Board shall first justify and obtain shareholders' approval.

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 recognizes the importance of diversity in designing its composition while considering the pertinent skills, knowledge, and experience necessary to further enhance the composition of the Board. Diversity has been considered from several aspects, including but not limited to gender, age, educational background, professional experience, skills, and knowledge. The Board, through the Nomination Committee, will continue to consider candidates of different gender, age and ethnic with the appropriate skills, experience and characteristics are sought, as part of its selection exercise.
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>The Company has in place a formal and transparent procedure on the appointment of new Directors. All nominees to the Board are first considered and evaluated by the Nomination Committee (“NC”), taking into account the mix of skills, competencies, experience and other qualities required to oversee a marine transportation business, before they are recommended to the Board.</p> <p>The Board is responsible for the appointment of new Directors, the NC is delegated with the role of screening and conducting an initial selection, which includes internal search such as recommendation by existing Board members or Management before making a recommendation to the Board.</p> <p>In January 2022, Bursa Malaysia has introduced changes to its listing requirements. One of the enhancements include mandating that all public listed companies have in place a fit and proper policy that addresses Board quality and integrity.</p> <p>The Nomination and Remuneration Committee (“NRC”) has approved the Company’s Fit and Policy for Board on 14 December 2022. The policy aims at guiding the NRC and the Board in the selection of candidates for appointment as Directors and in the evaluation of Directors annually as well as for recommendation to the shareholders for re-election at the annual general meeting.</p> <p>The aim is to ensure that each Director has the character, experience, integrity, competence, independence (for Independent Directors) and time to effectively discharge his/her role as Director.</p> <p>The NC evaluates the nominees’ ability to discharge their duties and responsibilities and will conduct a formal engagement with the nominees before recommending their appointment as Directors to the Board for approval.</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 published in the Integrated Annual Report as well as in E.A. Technique's corporate website. These include the Directors' age, gender, tenure of service, directorship in other companies, working experience, qualification, and any conflict of interest and their shareholdings in E.A. Technique, if any.	
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 ("NC") 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 NC.</p> <p>His strong view and characters, 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 NC 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	:	The Board encourages and supports more women participation in the Company's decision-making positions whilst it continues to strive towards 30% women participation in the Board composition. Out of the six (6) Directors, one (1) or 17% is woman. Although the Board has not set a target for appointment of additional woman directors, the Board embraces gender diversity, mindful that it should always be in the best interest of the Company.	
<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 do not have a specific policy on gender diversity. However, we believe that a truly diverse and inclusive Board will leverage differences in thoughts, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, and gender, which will ensure E.A. Technique retains its competitive advantage.</p> <p>The Nomination Committee is responsible for reviewing and assessing the composition and performance of the Board as well as identifying the appropriate candidate for the senior management team.</p> <p>With regards to gender diversity, we do have a mix profile in our Board members and top management team. For example, we have Aziah Ahmad as one of our director and Mariam Puan, who is our CFO.</p> <p>Moving forward, we will develop a policy on gender diversity and recommend it the Board for its adoption.</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 effectiveness of the Board is vital to the success of the Group. For that reason, a large portion of the Board Policy Manual is devoted to explaining and outlining the format and procedure for evaluating Board Members performance. The availability of the structured format for Board Members evaluation assists the members in discharging their duties effectively and efficiently.</p> <p>The Board, through the NC, undertakes a rigorous evaluation each year in order to assess how well the Board, its Committees, the Directors and the Chairman are performing, including assessing the independence of Independent Directors, taking into account the individual Director's capability to exercise independent judgement at all times.</p> <p>The evaluation covers the Board's composition, skills mix, experience, communication, roles and responsibilities, effectiveness as well as conduct. All Directors complete a questionnaire regarding the Board and Committees' processes, their effectiveness and where improvements may be considered. The process also includes a peer review in which Directors assess their fellow Directors' performance against set criteria, including the skills they bring to the Group and the contribution they make. The Company Secretary reports the outcome of the evaluation exercise to the NC and then to the Board for notation.</p> <p>Following the performance evaluation process for 2021 which was conducted internally, the Board has concluded that the Board and its Committees operate effectively. Additionally, the Chairman is satisfied that each Director continues to make an effective contribution to the work of the Board, is well prepared and informed concerning matters to be considered by the Board, has a good understanding of the Group's business and their commitment to the Company remains strong.</p>

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

Intended Outcome

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

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

Practice 7.1

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established a formal and transparent process in determining the appropriate remuneration package for the Board.</p> <p>The Board, through the Remuneration Committee (“RC”), periodically reviews the general remuneration policy for Directors to ensure that the remuneration is attractive to retain and attract the best talents. The level of remuneration reflects the experience and level of responsibilities undertaken by the Directors. The Board also ensures that the remuneration received by the Directors remain competitive, appropriate, and align with the market practice.</p> <p>The Remuneration policy has been reviewed and approved by the Board and is published in 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 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 such information and advice, both from within the Group and externally, as it deems necessary or appropriate in accordance with the procedures determined by the Board and at the cost of the Company. The Committee is authorised by the Board to obtain external legal or other professional advice, as well as information about remuneration practices elsewhere. The Committee may, if it thinks fit, secure the attendance of external advisers with relevant experience and expertise, and shall have the discretion to decide whom else other than its own members, shall attend its meetings. No director or executive shall take part in decisions on his/her own remuneration.</p> <p>The RC may also consult the Chairperson of the Board regarding proposals relating to the remuneration of executive directors. The Committee may also consult other non-executive directors in its evaluation of the Managing Director/Chief Executive Officer. The Committee may request other directors and key executives to participate in Committee meetings, as necessary, to carry out the Committee's responsibilities.</p> <p>The duties of the RC shall include the following:</p> <ol style="list-style-type: none">1. To establish and recommend the remuneration structure and policy for executive directors and key executives, if applicable, and to review changes to the policy, if and when necessary.2. To ensure that a strong link is maintained between the level of remuneration and individual performance against agreed targets, the performance-related elements of remuneration setting forming a significant proportion of the total remuneration package of executive directors.

	<p>3. To review and recommend individual remuneration packages for each of the executive directors and, as appropriate, other senior executives, including: the terms of employment or contract of employment/service; benefits, pension or incentive scheme entitlement; any other bonuses, fees and expenses; and any compensation payable on the termination of the service contract by the Company.</p> <p>4. To review with the Managing Director/Chief Executive Director, his/her goals and objectives and to assess his/her performance against these objectives as well as contribution to the corporate strategy.</p> <p>5. To review the performance standards for key executives to be used in implementing the Group's compensation programs where appropriate.</p> <p>6. To consider and approve compensation commitments/severance payments for executive directors and key executives, where appropriate, in the event of early termination of the employment/service contract.</p> <p>7. To consider other matters as referred to the Committee by the Board.</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>
<p>Explanation for departure</p>	<p>:</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>:</p>
<p>Timeframe</p>	<p>:</p>

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 2022 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	0	20	0	0	0	100	80	0	20	0	0	0	100
2	Datuk Mohd Nasir Ali	Independent Director	96	0	23	0	0	0	119	96	0	23	0	0	0	119
3	Rozan Mohd Sa'at	Independent Director	76	0	13	0	0	0	89	76	0	13	0	0	0	89
4	Abdul Azmin Abdul Halim	Independent Director	96	0	20	0	0	0	116	96	0	20	0	0	0	116
5	Ir.Dr. Mohd Shahreen Zainooreen Madros	Independent Director	96	0	19	0	0	0	115	96	0	19	0	0	0	115
6	Aziah Ahmad	Non-Executive Non-Independent Director	0	0	16	0	0	0	16	0	0	16	0	0	0	16
7	New Kok Ho	Non-Executive Non-Independent Director	0	0	0	0	0	0	0	0	0	259.45	0	63.60	0	323.05
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	:	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.	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	:	Adopted
Explanation on adoption of the practice	:	Key Management's detailed remuneration paid or payable for the financial year ended 31 December 2022 is disclose in the Annual Report, pg. 78.

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Nasrul Asni Muhammad Dain	Chief Executive Officer	374.195	0	0	68.129	0	442.324
2	Mariam Puan	Chief Financial Officer	264.300	0	00	60.000	0	324.300
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 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	:	None of the members of the Audit Committee (“AC”) were former key audit partners of any external audit firms. The Company will ensure that the cooling-off period of 2 years is observed if and when the Company is seriously considering such a person for appointment to the AC.	
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 maintains a transparent relationship with the Internal and External Auditors in seeking professional advice on the internal control and ensuring compliance with the appropriate accounting standards.</p> <p>The Audit Committee ensures the external audit function is independent of the activities it audits and reviews the contracts for the provision of non-audit services by the External Auditors in order to make sure that it does not give rise to conflicts of interest. The excluded contracts would include management consulting, strategic decision, internal audit and standard operating policies and procedures documentation</p> <p>The Audit Committee is empowered to communicate directly with the external and internal auditors and vice versa to highlight any issues of concern at any point in time.</p> <p>The External Auditors meet the Audit Committee at least twice a year. During such meetings, auditors highlight and discuss the nature, scope of the audit, audit programme, internal controls and issues that may require 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	:	Majority Audit Committee members are Independent Directors including Chairman of Audit Committee. Audit Committee members comprise of two (2) Independent Directors and one (1) Non-Independent Director. This is due to limited numbers of Directors.

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The effectiveness and the composition of the Audit Committee ("AC") are evaluated annually through the Board Evaluation Assessment, with a view to maintain an independent and effective Audit Committee. The Board, through the Nomination Committee will ensure that a director who is financially literate with the appropriate knowledge and experience, and strong understanding of the Company's business, will be appointed to the Audit Committee.</p> <p>One of the AC members is Puan Aziah Ahmad who qualifies the requirement of Paragraph 15.09 (1) (c) of the MMLR which stipulates that at least one of the Committee members fulfils the financial expertise requisite.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The risk management and internal control framework of the Group was approved by the Board. The Board reviews the effectiveness, adequacy and integrity of the risk management framework and internal control system of the Group to ensure the significant risks faced by the Group are being managed appropriately to respond to changes in the business environment.</p> <p>There are two (2) Committees at the Board level and Management level that have primary risk management and internal control oversight responsibilities:</p> <ul style="list-style-type: none"> •The Risk & Governance Committee (“RGC”) – oversight on governance, compliance, risk and internal control matters; and •The Risk Management Committee – oversight over risk management. <p>On annual basis, the External Auditor and the Internal Audit function assist the RGC in reviewing the effectiveness of risk management and internal controls and providing an independent view on specific risks and control issues.</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 details of the Risk Management and Internal Control Framework of the Group are disclosed in the Company’s Annual Report under the Statement of Risk Management and Internal Control. The activities of the Risk Management Committee are also disclosed in the Company’s Annual Report, pg. 82-85.	
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 board level ("RGC") was established on 1 June 2020, as stated on Announcement to Bursa. The Risk Management Committee is chaired by Ir. Dr. Mohd Shahreen Zainooreen Madros, an Independent Non-Executive Director and assisted 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 carried out by inhouse Internal Audit team of E.A. Technique (M) Berhad ("EAT")</p> <p>The Internal Audit Department ("IAD") reports directly to the Audit Committee and administratively to CEO. The IAD function is guided by its Internal Audit Charter. The IAD assists the Board in fulfilling its fiduciary responsibilities over the areas of financial, operational, information system, investigations, risk management and governance process in accordance with the approved Risk Based Annual Audit Plan.</p> <p>On a quarterly basis, the IAD provides the Audit Committee with independent and objective reports on the state of internal control, highlighting any areas for improvement and updates on the extent to which the recommendations have been implemented.</p> <p>The activities carried out by the Internal Audit included amongst others, the review of the adequacy and effectiveness of the system of internal controls, compliance with established policies and procedures, laws and regulations, governance process, reliability and integrity of information and the measure of safeguarding asset.</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	:	<p>The Internal Audit Department is led by Manager, Rebacca Soon Kuay Ying and assist by two (2) Internal Audit Executives. She holds a Bachelor of Accounting and associate member of Institute of Internal Auditors Malaysia.</p> <p>The Internal Audit Department appointed by the Company is independent of activities related to business operations and performs its duties in accordance with standards set by relevant professional bodies, namely Institute of Internal Auditors Malaysia.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>E.A. Technique adopts an open and transparent policy in respect of its relationship with shareholders, investors, and stakeholders. For this to occur, the Board recognises the importance of effective communication with shareholders and the investment community and adheres strictly to the disclosure requirements of Bursa Malaysia.</p> <p>The Annual General Meeting ("AGM") is the principal forum for dialogue with shareholders. At the AGM, the Board provides opportunity for shareholders to raise questions pertaining to the business activities of the Group.</p> <p>E.A. Technique Investor Relations also has a calendar of activities for the investor community. They are to provide investors with insights of the Company's strategic direction, financial performance, and latest developments. The investment community is kept engaged via Quarterly and Financial Results announcements, IR conferences, in house analyst briefings and conference calls.</p> <p>In 2022, there were limited investor relations activities and analyst coverage due to our PN17 status. However, towards the end of 2022, where our business is getting better, the Company continues to meet with research analysts, fund managers, members of the media/business editors and institutional investors.</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

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>For the past several years, E.A. Technique (M) Berhad has been accelerating the adoption of Integrated Reporting (“IR”) principles in its annual report. The Group’s inaugural Management Discussion & Analysis (“MD&A”) and Sustainability Statements, which are important components of an IR, were included in E.A. Technique’s 2021 Annual Report.</p> <p>Driving our IR agenda forward is the Group’s senior management team, with oversight provided by CEO and the Board of Directors.</p> <p>The MD&A and Sustainability Statement could be sighted in our Integrated Annual Report page 32 to 69.</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 on the E.A. Technique's fully virtual 28th AGM were issued to shareholders on 29 April 2022, more than 28 days before the meeting. The Notice of AGM was also published in New Straits Times newspaper and made available on Company's website at www.eatechnique.com.my. It has been the Company's practice since 2017, to issue the Notice of AGM at least 28 days prior to the meeting.</p> <p>To enable shareholders to participate meaningfully at the AGM, shareholders and investors are kept informed on the Group's latest business and corporate development.</p> <p>Besides the Annual Report, company updates are disseminated via circulars to shareholders, press releases, quarterly financial results and various announcements made from time to time to Bursa Malaysia. These are also published in 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 Board of Directors were present either physically at the event venue or had logged in remotely to attend the virtual AGM. This included the Chairs of all Board Committees.</p> <p>In ensuring quality interaction with the shareholders at the AGM, the Chairman of the Board explicitly mentions the shareholders’ and proxies’ voting rights and their right to demand a poll during the meeting.</p> <p>The shareholders were also encouraged to post their questions in the query box via the TIIH Online website to transmit their questions raised by the shareholders and proxies were attended to accordingly.</p> <p>Besides the Chairman, CEO and CFO, other Directors and the External Auditors were also in attendance to response attendees’ queries.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>Even though Malaysia has announced that the Covid-19 situation has commenced its transition to Endemic phase in 1 April 2022, where the directive on social distancing and restriction mass gathering has been lifted. However, in ensuring shareholders' well-being and safety remain the Company's priority, the Company's Twenty-Eight AGM ("28th AGM") was carried out fully virtual via the Remote Participation and Voting ("RPV") on 13 June 2022. The shareholders are guided to register their attendance remotely by using the RPV facilities via TIIH Online website at https://tiih.online</p> <p>The RPV facilities had enabled remote shareholders' participation and online remote voting by leveraging on technology in accordance with Section 327 (1) and (2) of Companies Act 2016.</p> <p>Shareholders/proxies who attended the Company's fully virtual 28th AGM had voted remotely using the RPV facilities</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.4

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

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
Application	: Applied
Explanation on application of the practice	: The CEO presented the highlights of the E.A. Technique Group's financial performance and business operations overview of the Company for the preceding financial year, during the AGM, to deepen the shareholders' understanding of the Company's state of affairs. During the meeting, shareholders have direct access to Board members who are on hand to answer their questions, either on specific resolutions or on the Company generally. The Group Chairman ensures that a reasonable time is provided to the shareholders for discussion at the meeting before each resolution is proposed.
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	: Applied
Explanation on application of the practice	: <p>Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) was engaged to provide the audio and visual support services to broadcast the proceedings of the 28th AGM virtually. It was live streamed for access via TIIH Online website at https://tiih.online.</p> <p>Tricor acted as the poll administrator also verified the eligibility of shareholders/representatives/proxies to attend the 27th AGM. This online platform was secured exclusively for the members with approved registration for the Remote Participation and Voting (“RPV”).</p> <p>Tricor introduced an application called the Moderator Link to assist the user in tracking the questions posed by the shareholders during AGM. This application made the questions visible to all meeting participants and made the Q&A session very smoothly and efficiently.</p> <p>As for the poll results, they were verified by Scrutineers from Scrutineer Solutions Sdn Bhd and each resolution result were displayed to members, representatives and proxies as the Chairman declared that the resolutions were duly passed.</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 13.6

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

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
Application	: Departure
Explanation on application of the practice	:
Explanation for departure	: Outcome of the General Meeting on all resolutions proposed at the at the general meeting are announced to Bursa Securities after the general meeting.
	The Company will make available the minutes of the forthcoming AGM at the Company's website no later than thirty (30) business days after the said meeting.
<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.

**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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