

CORPORATE GOVERNANCE REPORT

STOCK CODE : 5204
COMPANY NAME : AWANBIRU TECHNOLOGY BERHAD
FINANCIAL YEAR : December 31, 2025

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>AwanBiru Technology Berhad ("Awantec" or the "Company") is led by an effective and diverse Board comprising eight (8) members with varied professional backgrounds, enabling balanced perspectives in guiding the strategic direction of the Company.</p> <p>The Board of Directors ("Board") is responsible for setting the strategic direction of Awantec and its subsidiaries (collectively, the "Group"), overseeing the implementation of management strategies and monitoring the Group's performance against its strategic objectives. Strategic plans and priorities are periodically reviewed to ensure alignment with market developments and stakeholder expectations.</p> <p>The Board also establishes the Group's values and standards and ensures that the Company's obligations to shareholders and other stakeholders are understood and fulfilled. These roles and responsibilities are set out in the Board Charter, which includes a schedule of matters reserved for the Board's decision.</p> <p>To support the effective discharge of its duties, the Board is assisted by the following Board Committees, each governed by clearly defined Terms of Reference ("TOR"):</p> <ul style="list-style-type: none">• Audit Committee ("AC");• Risk Management Committee ("RMC");• Nomination and Remuneration Committee ("NRC");• Long-Term Incentive Plan Committee ("LTIPC"); and• Finance and Investment Committee ("FIC"). <p>The Board Charter and the TORs of the Board Committees are available on the Company's website at https://www.awantec.my/governance.</p>

	The Board maintains effective oversight of Management through the clear separation of the roles of the Chairman and the Chief Executive Officer (“CEO”). Authority delegated to Management is exercised through the CEO, who is accountable to the Board for the overall management and performance of the Company.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chair of the Board, Dato' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar ("Dato' Syed Naqiz"), is an Independent Non-Executive Chairman who effectively leads the Board by:</p> <ul style="list-style-type: none"> • Providing leadership in promoting and upholding high standards of corporate governance; • Ensuring the Board receives timely, complete, and accurate information to facilitate informed deliberations; • Presiding over meetings and guiding Board discussions to ensure robust and constructive engagement; • Encouraging active participation among Directors and ensuring that dissenting views are respected and duly considered; and • Managing the interface between the Board and Management to ensure effective communication and execution of strategic decisions. <p>Dato' Syed Naqiz fulfils his responsibilities in accordance with the Board Charter, ensuring that all Directors are well-informed on both financial and non-financial matters to enable their effective contribution to Board deliberations and decision-making.</p> <p>Further details on the Chairman's key roles and responsibilities are outlined in the Board Charter, available at https://www.awantec.my/governance.</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 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles of the Chairman and the CEO are distinct and clearly defined in their respective position descriptions, ensuring a balance of authority and that no single individual has unfettered decision-making power.</p> <p>En. Azlan bin Zainal Abidin (“En. Azlan”) served as the CEO of Awantec from 1 June 2023 until his departure on 3 October 2025. Dato’ Syed Naqiz has served as Chairman of the Board since 20 January 2021.</p> <p>Following En. Azlan’s departure, the Board appointed Mr. Chok Joon Heng (“Mr. Chok”) as the Interim Officer-in-Charge to oversee and provide guidance to the management team of Awantec pending the appointment of a new CEO. Mr. Chok reports regularly to the Board of Directors on the Group’s operations, financial performance, and the progress of key projects.</p> <p>The respective responsibilities of the Chairman and the CEO are set out in the Board Charter, which is available on the Company’s website at https://www.awantec.my/governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 1.4

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

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
Application	: Applied
Explanation on application of the practice	: The Chairman of the Board, Dato' Syed Naqiz, has not previously held any position as Chairman or member of the Company's Board Committees. He has also not been invited to attend any past Board Committee meetings. As of the date of this report, the AC is chaired by Lim Saw Imm (" Mdm. Lim "), and the NRC is chaired by Professor Emeritus Dato' Dr. Hassan bin Said (" Prof. Hassan "). Both Mdm. Lim and Prof. Hassan are Independent Non-Executive Directors (" INEDs ") of the Company.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretaries of Awantec are Mdm. Chua Siew Chuan, a Fellow of the Malaysian Association of the Institute of Chartered Secretaries and Administrators ("MAICSA"), and Mr. Lim Lih Chau, a Licensed Secretary approved by the Companies Commission of Malaysia.</p> <p>They support the Board and Board Committees in discharging their responsibilities by ensuring that Board procedures are followed and that applicable laws, regulations and Bursa Malaysia Main Market Listing Requirements ("MMLR") are complied with.</p> <p>The Company Secretaries advise the Board on matters relating to the Company's Constitution, Board policies and procedures, corporate governance practices, and regulatory requirements. They also keep the Board informed of developments in the regulatory landscape, including updates on disclosure and reporting obligations to Bursa Malaysia Securities Berhad ("Bursa Securities").</p> <p>Board members have unrestricted access to the advice and services of the Company Secretaries to assist them in the effective discharge of their duties.</p> <p>In line with Chapter 14 of the MMLR, the Company Secretaries ensure that notices of closed periods are issued and that proper communication is made regarding dealings in the Company's securities by Directors and Principal Officers.</p> <p>The roles and responsibilities of the Company Secretaries are clearly outlined in the Board Charter, accessible via the Company's website at https://www.awantec.my/governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company Secretaries attend all Board and Board Committee meetings and ensure that the meetings are properly convened and that accurate records of the proceedings and resolutions are maintained in the statutory records of the Company.</p> <p>Directors are provided with comprehensive and timely information to enable informed decision-making. In accordance with the Company's Board Charter, the agenda and Board papers are circulated at least five (5) working days prior to each meeting, allowing sufficient time for Directors to review the materials and seek clarification from Management where necessary.</p> <p>Draft minutes of each Board and Board Committee meeting are circulated to the respective members for review and comments in a timely manner. The minutes record the deliberations, decisions and action items arising from the meetings. Minutes of Board meetings are presented for confirmation at the subsequent Board meeting, while minutes of Board Committee meetings are tabled to the Board for notation.</p> <p>The signed minutes are properly maintained by the Company Secretaries as part of the Company's statutory records.</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 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>To ensure clarity and effective demarcation of responsibilities between the Board, its Committees and Management, the Company has adopted a Board Charter.</p> <p>The Board Charter sets out the roles and responsibilities of the Board, Board Committees, individual Directors and Management, and serves as a key reference point for the Board's governance practices. It also identifies matters reserved for the Board and its Committees to ensure clear accountability in decision-making.</p> <p>Matters reserved for the Board or its Committees are detailed in Appendix A of the Board Charter.</p> <p>The Board Charter is reviewed periodically, and at least once every three (3) years, to ensure that it remains relevant and aligned with the Company's governance framework and regulatory requirements.</p> <p>The Board Charter was last revised and adopted by the Board on 12 September 2023 and is accessible on the Company's website at https://www.awantec.my/governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.1

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 has established a Directors' Code of Conduct and Ethics which sets out the ethical standards and principles expected of Directors in the discharge of their duties. Directors are required to disclose any direct or indirect interests and potential conflicts of interest, with quarterly reviews of Related Party Transactions ("RPT") undertaken by the Audit Committee. All disclosures are properly recorded in the minutes of the relevant meetings.</p> <p>The Company has also adopted a Group-wide Code of Conduct applicable to employees, which promotes ethical behaviour and integrity in the conduct of the Company's business. This is supported by the Company's Anti-Bribery and Anti-Corruption Policy, Integrity Pledge, and quarterly Conflict of Interest declarations.</p> <p>The Directors' Code and the COC are accessible on Awantec's website at https://www.awantec.my/governance.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied								
Explanation on application of the practice	:	<p>Awantec has established a Whistleblowing Policy which provides a secure and confidential channel for employees and external parties to report actual or suspected improper conduct, including illegal, unethical or questionable practices, without fear of retaliation. The policy promotes a culture of integrity, transparency and accountability within the Group.</p> <p>The Board reviews the Whistleblowing Policy periodically to ensure its effectiveness and alignment with applicable laws, regulations and corporate governance practices, with a mandatory review at least once every three (3) years. The policy was last reviewed and approved by the Board on 27 August 2024.</p> <p>Whistleblowing disclosures may be submitted through:</p> <table border="1"> <thead> <tr> <th>Reporting Channel</th> <th>Contact Details</th> </tr> </thead> <tbody> <tr> <td>Letter</td> <td>Block 11B, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor.</td> </tr> <tr> <td>Online Submission</td> <td>Whistleblowing Form</td> </tr> <tr> <td>Email</td> <td>whistleblowing@awantec.my</td> </tr> </tbody> </table> <p>The Whistleblowing Policy is available on the Company's website at https://www.awantec.my/governance.</p>	Reporting Channel	Contact Details	Letter	Block 11B, Star Central, Lingkaran Cyber Point Timur, Cyber 12, 63000 Cyberjaya, Selangor.	Online Submission	Whistleblowing Form	Email	whistleblowing@awantec.my
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Measure	:									
Timeframe	:									

Intended Outcome

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

Practice 4.1

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

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board oversees the governance of sustainability matters through the Group's Sustainability Governance Structure, which provides a framework for identifying, evaluating and managing material environmental, social and governance ("ESG") issues.</p> <p>In accordance with Clause 8.1.3 of the Board Charter, the Board ensures that sustainability considerations are integrated into the Group's strategic planning and business operations. The Board, together with Management, reviews key sustainability priorities and monitors ESG developments that may impact the Group.</p> <p>To support the implementation of sustainability initiatives, the Group has established a Sustainability Committee comprising key Management personnel. The Committee is responsible for driving sustainability initiatives and monitoring the management of material ESG matters, with oversight provided by a designated Board member. The Group also considers relevant international sustainability frameworks, including the United Nations Sustainable Development Goals ("UNSDGs"), in guiding its sustainability efforts.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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Intended Outcome

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

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board ensures that Awantec's sustainability strategies, priorities, targets, and performance are clearly and effectively communicated to both internal and external stakeholders. This is achieved primarily through the Annual Report, specifically the Sustainability Statement and related ESG disclosures, as well as through ongoing updates on the Company's corporate website at https://ir.awantec.my/ar.html.</p> <p>These disclosures are designed to promote transparency, align with stakeholder expectations, and reflect the Board's commitment to sustainability governance.</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 ensures that it remains informed of sustainability matters relevant to the Group and its business. Sustainability and ESG performance are discussed at the Board’s quarterly meetings, where Management provides updates on key developments, including climate-related risks, regulatory changes, and industry trends.</p> <p>To further strengthen oversight, the Board established a Sustainability Committee on 20 March 2025, with Datuk Seri Dr. Yusof bin Ismail (“Datuk Seri Dr. Yusof”) appointed as the designated Board member responsible for overseeing its functions. Datuk Seri Dr. Yusof provides periodic updates to the Board on matters deliberated by the Committee.</p> <p>The Sustainability Officer supports the Committee by providing updates on ESG-related matters, including key performance indicators, progress on sustainability initiatives, and emerging sustainability developments, enabling the Board to make informed decisions on sustainability-related 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

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

Practice 4.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has integrated the evaluation of its efforts in addressing significant sustainability risks and opportunities into the performance assessments of the Board and senior management.</p> <p>For the financial period ended 31 December 2025, these evaluations included a review of the Board's and senior management's understanding of material sustainability matters, their role in embedding ESG considerations into decision-making, and the effectiveness of oversight over the Company's sustainability performance. This approach reinforces accountability while aligning leadership behaviour with Awantec's long-term sustainability goals.</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 4.5- Step Up

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

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

Application :	Adopted
Explanation on adoption of the practice :	<p>The Company has designated a Sustainability Officer within Management to provide dedicated focus on managing sustainability matters and integrating sustainability considerations into the Group's business strategy and operations.</p> <p>The Sustainability Officer is responsible for coordinating the implementation of the Group's sustainability initiatives, monitoring sustainability performance, and supporting the management of material ESG matters. Key responsibilities include conducting materiality assessments, coordinating sustainability initiatives across business units, monitoring sustainability-related key performance indicators, and overseeing the consolidation of ESG data for sustainability reporting and disclosures.</p> <p>During the financial year under review, the Sustainability Officer supported the Group's continued alignment with relevant sustainability frameworks, including the Task Force on Climate-related Financial Disclosures ("TCFD"), Bursa Malaysia's Sustainability Reporting Guidelines, FTSE4Good Bursa Malaysia Index, the Global Reporting Initiative ("GRI") Standards, and the International Financial Reporting Standard ("IFRS") S1 and S2.</p> <p>The Sustainability Officer works closely with senior management and the Sustainability Committee to drive sustainability initiatives and ensure that sustainability considerations are embedded in the Group's strategic and operational decision-making.</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>The NRC is responsible for reviewing the composition of the Board to ensure that it comprises Directors with an appropriate balance of skills, experience, independence and diversity to support the Company's strategic objectives.</p> <p>In accordance with Clauses 118, 119 and 120 of the Company's Constitution, Directors are subject to retirement by rotation at each Annual General Meeting ("AGM"), whereby one-third of the Directors retire and are eligible for re-election. Newly appointed Directors are required to retire at the next AGM following their appointment and are eligible for re-election by shareholders.</p> <p>Prior to recommending a director for re-election, the NRC assesses the Director's performance and contribution to the Board based on the results of the annual Board Effectiveness Evaluation ("BEE"). For Independent Directors, the NRC also reviews their independence in accordance with the criteria set out in the MMLR.</p> <p>Directors seeking re-election are also required to complete a fit and proper declaration to confirm their suitability to continue serving on the 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	:	<p>As at the financial period ended 31 December 2025, the Board comprised eight (8) members with the following composition:</p> <ul style="list-style-type: none"> •INEDs: 7 Directors (87.5%) •Non-Independent Non-Executive Director (NINED): 1 Director (12.5%) <p>This composition exceeds the requirement under the Malaysian Code on Corporate Governance 2021 (“MCCG”) that at least half of the Board comprise independent directors.</p> <p>All INEDs have provided their respective declarations of independence and have been assessed by the NRC to meet the independence criteria set out in Paragraph 1.01 of the MMLR of Bursa Securities.</p> <p>Although the Company is not classified as a “Large Company” under the MCCG, the Board maintains a majority of independent directors to promote objective deliberation and effective oversight of Management.</p> <p>Further details on the roles and responsibilities of INEDs and NINEDs are set out in the Board Charter, which is available on the Company’s website at https://www.awantec.my/governance.</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 5.3

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>During the financial period, all INEDs completed a self-assessment confirming their independence in both substance and form, and that they are free from any relationship that could, or could reasonably be perceived to, impair their independent judgement.</p> <p>In line with the Board Charter and the MCCG, the tenure of an INED shall not exceed a cumulative term of nine (9) years unless justified by the Board and approved annually by shareholders.</p> <p>Mr. Ramanathan a/l Saththiamutty ("Mr. Rama"), who will reach a cumulative tenure of twelve (12) years on 16 April 2026, will resign from the Board upon reaching the said tenure limit.</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 :	Not Adopted
Explanation on adoption of the practice :	

Intended Outcome

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

Practice 5.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC oversees the recruitment, appointment and re-appointment of Directors, guided by the Company's Nomination Policy, Fit and Proper Policy, Diversity Policy and its Terms of Reference to ensure appointments are based on merit, objective criteria and due regard for Board diversity.</p> <p>Candidates are assessed based on their skills, experience, professional background and alignment with the Company's strategic needs, with appropriate due diligence conducted prior to any recommendation to the Board. The current Board reflects diverse expertise in accounting, finance, legal, economics and international business.</p> <p>For re-appointments, the NRC conducts an annual assessment of Directors, including their performance, contributions, independence (where applicable) and fit and proper declarations before recommending them for re-election.</p> <p>All Directors met the minimum 50% attendance requirement for Board and Board Committee meetings under the MMLR, and none hold more than five (5) directorships in listed issuers as required under Paragraph 15.06 of the MMLR.</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 5.6

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 identifying candidates for appointment to the Board, the NRC adopts a broad search approach and does not rely solely on recommendations from existing Directors, Management or major shareholders.</p> <p>Independent sources such as executive search firms, industry associations and professional networks may be utilised to identify suitably qualified candidates. All potential candidates are assessed based on objective criteria set out in the Company’s Fit and Proper Policy, including qualifications, relevant experience, integrity and the ability to exercise independent judgment in the best interests of the Company.</p> <p>All candidates, whether internally recommended or independently sourced, are subject to appropriate due diligence, including background and reference checks, to assess their suitability.</p> <p>There were no new Director appointments during the financial period under review.</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	:	<p>The Board recognises the importance of providing shareholders with sufficient information to enable them to make informed decisions on the appointment and re-election of Directors.</p> <p>Through the BEE and the fit and proper assessment conducted by the NRC, each Director’s performance, contribution, skills, experience and time commitment were evaluated. For INEDs, their independence was also assessed. Based on these evaluations, the NRC recommended the re-election of the retiring Directors, which was subsequently endorsed by the Board.</p> <p>The profiles of the Directors seeking re-election, including their qualifications, experience, directorships in other companies, and any interest, position or relationship that may influence their independent judgment, are set out in the Annual Report 2025 and on the Company’s website at: https://www.awantec.my/corporate-structure.</p> <p>Based on the results of the BEE and the fit and proper assessment, the NRC recommended the re-election of the retiring directors and the Board supports these recommendations. Shareholders’ approval will be sought at the forthcoming AGM.</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 5.8

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

Application	:	Applied
Explanation on application of the practice	:	<p>The NRC is chaired by Prof. Hassan, who was appointed as an INED on 25 February 2020 and has served as Chairman of the NRC since 2020.</p> <p>The NRC plays an important role in supporting the Board in matters relating to the selection, appointment, re-election and performance evaluation of Directors and Senior Management. In carrying out its responsibilities, the NRC ensures that appointments are based on merit and aligned with the Company's strategic objectives and governance standards.</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	:	<p>The Board supports the Government’s agenda and the recommendation under the MCCG to achieve at least 30% representation of women on the boards of public listed companies. In line with this, the Company has adopted a Board Diversity Policy which promotes diversity, including gender diversity, in the composition of the Board.</p> <p>As at the end of the reporting period, two (2) out of eight (8) Directors on the Board are women, representing 25% of the Board composition. While the Company has not yet achieved the 30% threshold, the Board remains committed to progressively increasing female representation.</p> <p>The NRC takes the Board Diversity Policy into consideration when identifying and recommending suitable candidates for Board appointments. Efforts are ongoing to identify qualified female candidates who possess the appropriate skills, experience and perspectives to further strengthen the Board.</p> <p>The Board will continue to work towards achieving the 30% target as part of its ongoing board renewal and succession planning efforts.</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 5.10

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a Diversity Policy which sets out the Company's commitment to promoting diversity at the Board and Senior Management levels. The policy emphasises the importance of diversity in terms of gender, skills, experience, age and cultural background in strengthening Board effectiveness and decision-making.</p> <p>The principles of diversity are also applied across the Group, including in the recruitment, development and promotion of employees, where diversity and inclusivity are key considerations.</p> <p>The Diversity Policy is available on the Company's corporate governance page at: https://www.awantec.my/governance</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 6.1

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

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

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
Application	: Applied
Explanation on application of the practice	: <p>Although Awantec is not classified as a “Large Company” under the MCGG, the Board undertakes an annual Board Effectiveness Evaluation (“BEE”) to assess the effectiveness of the Board, its committees and individual Directors.</p> <p>For the financial period under review, the BEE was facilitated by the Company Secretaries through structured online questionnaires covering Directors’ roles, competencies, participation and contributions, as well as the Board’s composition, structure, meeting effectiveness, quality of information and governance processes.</p> <p>The findings, including key strengths and areas for improvement, were presented to the NRC and subsequently tabled to the Board. The results indicated that the Board, its committees and individual Directors continued to function effectively.</p> <p>The outcomes are considered by the NRC in relation to succession planning, re-election of directors and overall Board composition to ensure an appropriate mix of skills, experience and independence.</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 Company has established a Remuneration Policy for Directors and Senior Management which sets out the framework for determining remuneration, taking into account the complexity of the Group's operations, the Company's performance and demands, as well as the required skills and experience.</p> <p>The NRC reviews and recommends the remuneration framework to the Board, with remuneration benchmarked against comparable companies to ensure competitiveness and alignment with market practices.</p> <p>The policy differentiates the roles of Non-Executive Directors, Executive Directors and Senior Management to ensure remuneration structures reflect their respective responsibilities.</p> <p>The Remuneration Policy is periodically reviewed and is available on the Company's website at https://www.awantec.my/governance.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established an NRC, which currently comprises four (4) INEDs and is chaired by Prof. Hassan.</p> <p>The NRC assists the Board in overseeing the Company's remuneration policies and reviewing the remuneration of Directors and Senior Management, including the remuneration of Non-Executive Directors and the employment terms and remuneration packages of Executive Directors and Senior Management, to ensure alignment with the Company's remuneration framework and market practices.</p> <p>The NRC also reviews succession planning and leadership development to support continuity in the Company's management and governance.</p> <p>The authority, roles and responsibilities of the NRC are set out in its TOR, while the framework for Directors' and Senior Management's remuneration is outlined in the Company's Remuneration Policy. Both documents are available on the Company's website at https://www.awantec.my/governance.</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

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	:	<p>The detailed disclosure of remuneration of individual Directors on a named basis, which includes the remuneration breakdown including fees, benefits-in-kind, and other emoluments, is provided on the following page.</p> <p>It is also available in the Corporate Governance Overview Statement in the Annual Report for 2025.</p>

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' Syed Naqiz Shahabuddin bin Syed Abdul Jabbar	Independent Director	162	Input info here	Input info here	Input info here	Input info here	18	180	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Ramanathan a/l Sathiamutty	Independent Director	126	Input info here	Input info here	Input info here	Input info here	43.2	169.2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Ginny Yeow Mei Ying	Independent Director	108	Input info here	Input info here	Input info here	Input info here	30	138	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Professor Emeritus Dato' Dr. Hassan bin Said	Independent Director	126	Input info here	Input info here	Input info here	Input info here	38.4	164.4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	YM Tunku Abang Faisal Amir bin Abang Abu Bakar	Independent Director	108	Input info here	Input info here	Input info here	Input info here	24	132	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
6	Lim Saw Imm	Independent Director	135	Input info here	Input info here	Input info here	Input info here	33.6	168.6	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
7	Datuk Seri Dr. Yusof bin Ismail	Independent Director	121.133	Input info here	Input info here	Input info here	Input info here	22.8	143.933	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Dr. Abu Hasan bin Ismail	Non-Executive Non-Independent Director	Input info here	Input info here	720	Input info here	Input info here	Input info here	720	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

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	:	Applied – the company discloses the remuneration of members senior management who are not members of the board
Explanation on application of the practice	:	The Company discloses the remuneration of the top five Senior Management who are not members of the Board on a named basis, in bands of RM50,000, including the breakdown of salary, bonus, benefits-in-kind and other emoluments.
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	Azlan bin Zainal Abidin <i>(Resigned w.e.f 3 October 2025)</i>	Chief Executive Officer	1,100,001-1,150,000	150,001-200,000	Choose an item.	Choose an item.	150,001-200,000	1,450,001-1,500,000
2	Chok Joon Heng	Chief Operating Officer	850,001-900,000	100,001-150,000	Choose an item.	Choose an item.	250,001-300,000	1,250,001-1,300,000
3	Ainun Mardziah binti Hashim	Group Financial Controller	500,001-550,000	Choose an item.	100,001-150,000	Choose an item.	0-50,000	650,001-700,000
4	Ahmad Rezal bin Ibrahim	Director of Technology	550,001-600,000	Choose an item.	Choose an item.	Choose an item.	50,001-100,000	650,001-700,000
5	Yasmin binti Abdullah	Director, Human Resource & Administration	500,001-550,000	Choose an item.	100,001-150,000	Choose an item.	0-50,000	700,001-750,000

Intended Outcome

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

Practice 8.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	The AC is chaired by Mdm. Lim, an INED who is not the Chairman of the Board, in line with Practice 9.1 of the MCGG. Her leadership ensures independent oversight of the Company’s financial reporting and audit matters. The profile of the AC Chairperson is disclosed on page 129 of the Company’s Annual Report 2025.
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	:	<p>The TOR of the AC provide that no former key audit partner of the Company’s external audit firm shall be appointed as a member of the AC unless a cooling-off period of at least three (3) years has been observed.</p> <p>As at the reporting date, none of the AC members nor any members of the Board are former key audit partners of the Company’s external audit firm</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 9.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The AC conducts an annual assessment of the performance and independence of the External Auditors. The evaluation, facilitated by the Company Secretaries, incorporates feedback from AC members and Management through structured surveys and assessment tools.</p> <p>The assessment of Messrs. Crowe Malaysia PLT covered the following areas:</p> <ol style="list-style-type: none">1. Quality of audit services2. Adequacy of audit team resources3. Effectiveness of communication and interaction4. Auditor independence, objectivity and professional scepticism <p>For the financial period under review, the AC was satisfied with the External Auditors' performance, independence and overall audit quality. The Committee noted that Crowe Malaysia PLT maintained professional objectivity, applied robust audit procedures and deployed appropriate resources in carrying out the audit.</p> <p>Crowe Malaysia PLT also provided a written confirmation of their independence throughout the audit engagement. Based on the outcome of the assessment, the AC recommended their reappointment as the Company's External Auditors.</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	:	<p>The AC comprises solely INEDs, in accordance with its TOR. During the financial period under review, the members of the AC were as follows:</p> <ol style="list-style-type: none">1. Mdm. Lim – INED (Chairperson)2. Mr. Rama – INED3. Prof. Hassan – INED4. Datuk Seri Yusof – INED <p>Mdm. Lim was appointed as Chairperson of the AC on 25 May 2023. She is an INED and is not the Chairman of the Board, thereby ensuring the objectivity and independence required for this role.</p>

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>All members of the AC are financially literate and possess the necessary knowledge, skills and experience to effectively discharge their responsibilities, in accordance with the AC's TOR.</p> <p>Mdm. Lim, the Chairperson of the AC, is a member of the Malaysian Institute of Accountants ("MIA"), thereby fulfilling the requirement that at least one member of the AC must be a member of a professional accounting body.</p> <p>The AC members bring diverse professional backgrounds and possess a sound understanding of the Company's operations. They also participate in continuous professional development to remain abreast of evolving financial reporting standards and regulatory developments.</p> <p>The Board is satisfied that the AC has effectively discharged its duties in accordance with its TOR.</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 Board assumes overall responsibility for the Group's system of risk management and internal control and ensures its adequacy, integrity and effectiveness in safeguarding the interests of stakeholders. The system is designed to manage, rather than eliminate, risks to the achievement of the Group's strategic objectives and provides reasonable, but not absolute, assurance against material misstatement, loss or fraud.</p> <p>The Statement on Risk Management and Internal Control in the Annual Report outlines the key features of the Group's risk management framework and internal control processes, including the Board's oversight mechanisms, review processes and the extent to which the system remained effective during the financial year under review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 10.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board, through its RMC, oversees the Group's risk management framework to ensure its adequacy and effectiveness. The RMC, with input from Management, reviews the Group's key risks, risk appetite and mitigation measures, and provides recommendations to the Board for consideration and approval.</p> <p>The Board receives regular assurance from Management and the internal auditors that the Group's risk management and internal control systems are operating effectively in safeguarding the interests of stakeholders.</p> <p>Further details on the key features of the Group's risk management and internal control framework, as well as the Board's assessment of its adequacy and effectiveness, are set out in the Statement on Risk Management and Internal Control 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

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

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

Practice 10.3 - Step Up

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

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>The Board has established an RMC to oversee the Group's risk management framework and policies. The RMC comprises a majority of Independent Directors.</p> <p>The composition of the RMC during the financial period under review was as follows:</p> <table border="1"><thead><tr><th>Name</th><th>Designation</th></tr></thead><tbody><tr><td>Ramanathan a/l Sathiamutty</td><td>Chairman <i>(Independent Non-Executive Director)</i></td></tr><tr><td>Dr. Abu Hasan bin Ismail</td><td>Member <i>(Non-Independent Non-Executive Director/Founder and Strategic Advisor)</i></td></tr><tr><td>Ginny Yeow Mei Ying</td><td>Member <i>(Independent Non-Executive Director)</i></td></tr><tr><td>Lim Saw Imm</td><td>Member <i>(Independent Non-Executive Director)</i></td></tr></tbody></table> <p>The RMC is responsible for reviewing and recommending risk management policies, frameworks and strategies to the Board. It assists the Board in discharging its oversight responsibilities in relation to risk management and regulatory compliance, thereby supporting the effective management of the Group's overall risk exposure.</p>	Name	Designation	Ramanathan a/l Sathiamutty	Chairman <i>(Independent Non-Executive Director)</i>	Dr. Abu Hasan bin Ismail	Member <i>(Non-Independent Non-Executive Director/Founder and Strategic Advisor)</i>	Ginny Yeow Mei Ying	Member <i>(Independent Non-Executive Director)</i>	Lim Saw Imm	Member <i>(Independent Non-Executive Director)</i>
Name	Designation											
Ramanathan a/l Sathiamutty	Chairman <i>(Independent Non-Executive Director)</i>											
Dr. Abu Hasan bin Ismail	Member <i>(Non-Independent Non-Executive Director/Founder and Strategic Advisor)</i>											
Ginny Yeow Mei Ying	Member <i>(Independent Non-Executive Director)</i>											
Lim Saw Imm	Member <i>(Independent Non-Executive Director)</i>											

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>Recognising the importance of an effective and independent internal audit function in supporting the Group's governance and risk management framework, the Company has outsourced this function to KPMG Management and Risk Consulting Sdn. Bhd. ("KPMG MRC"), a professional services firm independent of the Company.</p> <p>KPMG MRC is responsible for providing the AC with independent and objective evaluations of the adequacy and effectiveness of the Group's internal control systems and their adherence to established policies and procedures.</p> <p>During the financial period under review, KPMG MRC carried out internal audits covering various operational and compliance areas, including risk management, governance, and internal controls. Their findings, along with recommendations for improvement, were presented to the AC and the Board.</p> <p>The AC and the Board are satisfied that the internal audit function, as carried out by KPMG MRC, is effective, independent, and provides the necessary assurance to support the Board in discharging its oversight responsibilities.</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 function of the Company is outsourced to KPMG MRC.</p> <p>The engagement is led by Mr. Chan Chee Keong (“Mr. Chan”), Head of Risk Consulting at KPMG in Malaysia. Mr. Chan is a member of the MIA and has extensive experience in providing audit and assurance services to public listed companies and multinational corporations across various sectors.</p> <p>The internal audit team comprises five (5) personnel who are independent of the Company and free from any relationships or conflicts of interest that could impair their objectivity and independence.</p> <p>KPMG MRC adopts a risk-based internal audit methodology that is aligned with the International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors (“IIA”). The internal audit process includes the development of a structured audit plan, execution of audit procedures, and reporting of findings based on sufficient, reliable and relevant audit evidence.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

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

Practice 12.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a Corporate Disclosure Policy and Procedures ("CDP") to ensure accurate, clear, timely and complete disclosure of material information in compliance with applicable legal and regulatory requirements. The CDP is available on the Company's website at https://www.awantec.my/governance.</p> <p>Material information is disseminated through announcements and filings with Bursa Malaysia Securities Berhad, the Securities Commission Malaysia and other relevant authorities, as well as through the Company's Annual Report, quarterly financial reports, press releases, shareholder circulars and updates on the Company's corporate website and digital platforms. All announcements to Bursa Malaysia are approved by the Board prior to release.</p> <p>To promote transparency, the minutes of the AGM, including a summary of questions raised by shareholders and the responses provided, are published on the Company's website.</p> <p>The Company also maintains an Investor Relations portal at https://ir.awantec.my/home.html, which provides shareholders and investors with access to up-to-date corporate and financial information. Stakeholders may contact the Company through the channels published on the Company's website, and feedback and enquiries are addressed in a timely and appropriate manner.</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>The Company has adopted integrated reporting in its Annual Report 2025 in accordance with the International Integrated Reporting Framework issued by the IFRS Foundation. This approach reflects the Company’s commitment to providing a holistic view of how its strategy, governance, performance and prospects contribute to value creation over the short, medium and long term.</p> <p>Through integrated reporting, the Company enhances the quality and transparency of its disclosures by strengthening the connectivity between financial and non-financial information, including sustainability-related matters and the utilisation of key capitals, namely financial, human, intellectual, social and relationship, natural and manufactured capital.</p> <p>The Company will continue to enhance its integrated reporting practices in line with global best practices to better communicate the interrelationships between resources, activities and value creation for its stakeholders.</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 Notice of the AGM, which sets out the resolutions to be considered and voted upon, was issued to shareholders at least twenty-eight (28) days prior to the meeting. This provided shareholders with sufficient time to review the proposed resolutions and make informed decisions.</p> <p>The Notice of AGM was also published in a major local newspaper and made available on the Company’s website for wider accessibility.</p> <p>Each resolution was accompanied by explanatory notes to facilitate shareholders’ understanding and enable informed voting. In addition, an Administrative Guide outlining the conduct of the AGM, including procedures for remote participation and electronic voting, was circulated together with the Notice of AGM.</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

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 participated in the Company's Fourteenth ("14th") AGM held on 27 November 2024 via remote participation through live streaming from their respective locations.</p> <p>The Chairman, Board members, senior management and external auditors were present to respond to shareholders' questions. The CEO also presented the Company's responses to queries raised by the Minority Shareholder Watch Group ("MSWG").</p> <p>The Chairpersons of the AC, NRC, RMC and LTIPC were also available to address questions directed to them.</p> <p>Shareholders were invited to raise questions and seek clarification on the proposed resolutions via the online meeting platform. All relevant queries were addressed by the Board, Committee Chairpersons and senior management, ensuring that shareholders were able to make informed voting decisions.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

Practice 13.3

Listed companies should leverage technology to facilitate–

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's 14th AGM, held virtually on 27 November 2024, leveraged technology to facilitate shareholders' participation and voting.</p> <p>Awantec appointed Boardroom Share Registrars Sdn. Bhd. ("Share Registrar") to provide Remote Participation and Voting ("RPV") facilities and to act as the Poll Administrator. This enabled shareholders to attend, participate and vote electronically on all resolutions.</p> <p>SKY Corporate Services Sdn. Bhd. was appointed as the Independent Scrutineer to verify the electronic poll results. To ensure the integrity of the voting process, the Scrutineer reviewed the audit logs of the Poll Administrator's system to detect any unauthorised activity.</p> <p>Access to the virtual AGM platform was restricted to verified shareholders, with appropriate security measures implemented by the Share Registrar to safeguard the integrity of the meeting. The voting results were announced via Bursa LINK on the same day, promoting transparency and timely disclosure.</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 :	<p>At the Company's 14th AGM held virtually on 27 November 2024, the Chairman ensured that the meeting provided an interactive platform for meaningful engagement between the Board, senior management and shareholders.</p> <p>During the AGM, the CEO presented the Group's operating and financial performance for the financial year ended 2023 and addressed queries raised by the MSWG.</p> <p>Shareholders were invited to submit questions in advance via email up to forty-eight (48) hours before the AGM or raise questions live during the meeting through the online platform's text messaging facility.</p> <p>The Chairman, together with the Chief Operating Officer ("COO") and senior management, responded to relevant questions during the AGM. Questions not addressed during the meeting were responded to via email after the AGM.</p> <p>The voting results for each resolution were displayed during the AGM and subsequently announced via Bursa LINK on the same day.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

Intended Outcome

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

Practice 13.5

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's 14th AGM, held virtually on 27 November 2024 via live streaming and Remote Participation and Voting ("RPV"), reflects the Company's commitment to enhancing shareholder accessibility and engagement through technology.</p> <p>The Company utilised the RPV platform provided by its Share Registrar, Boardroom Share Registrars Sdn. Bhd., which offers a secure and reliable infrastructure enabling shareholders to attend, participate and vote remotely during the AGM.</p> <p>The platform supported the smooth broadcast of the meeting proceedings and allowed shareholders to submit questions through the text messaging facility, enabling real-time interaction with the Board and senior management. Questions raised were displayed during the meeting and addressed during the Q&A session.</p> <p>Prior to the AGM, technical preparations were undertaken to ensure the smooth conduct of the virtual meeting.</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

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 Company circulates the minutes of its general meetings to shareholders within thirty (30) business days after the meeting, in line with the MCCG and the “Best Practice Guide on AGMs for Listed Issuers” issued by the MAICSA. The minutes of the Company’s 14th AGM held on 27 November 2024 were published on the Company’s website on 26 December 2024 for shareholders’ access.
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
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.

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