

Corporate Governance Overview Statement

Awantec Board of Directors (the **"Board"**), Management and employees of the Group affirm their commitment in ensuring that the Group is at the forefront of good governance.

The Group adheres and reports based on the following statutory requirements, best practices and guidelines:-

- Companies Act 2016 (**"CA 2016"**)
- Bursa Securities Securities Berhad (**"Bursa Securities"**) Main Market Listing Requirements (**"MMLR"**)
- Malaysian Code on Corporate Governance 2017 (**"MCCG"**)
- Corporate Governance Guide: Moving from Aspiration to Actualisation (**"CG Guide"**)

This Statement gives an overview of how the Company complies with the three (3) main corporate governance principles in MCCG 2017:

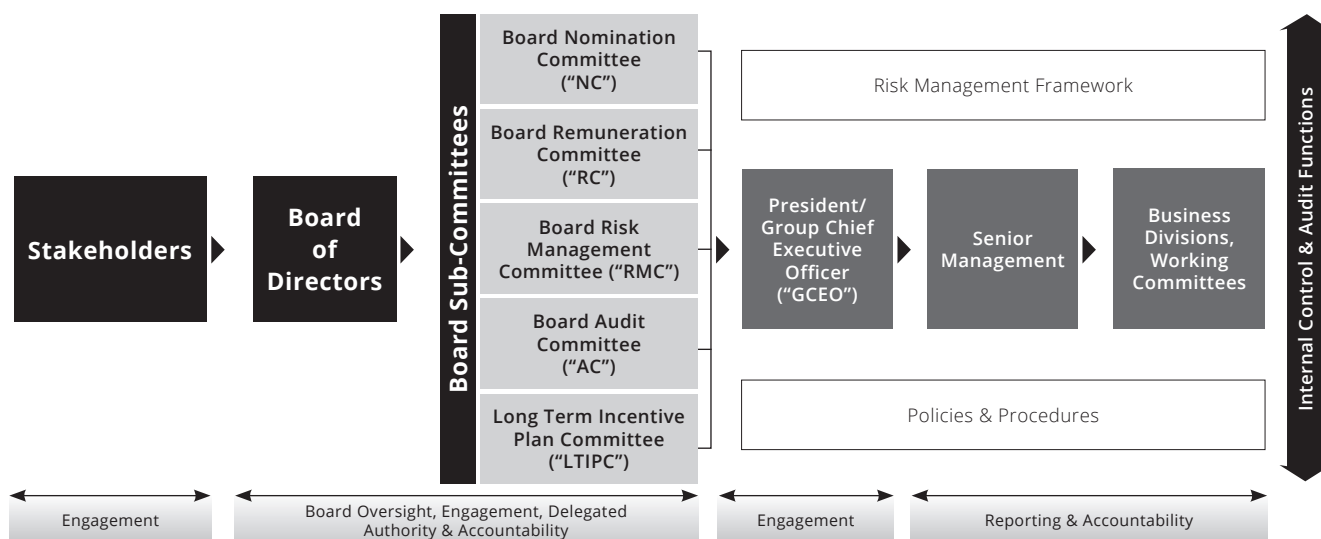
- Principle A: Board leadership and effectiveness;
- Principle B: Effective audit and risk management; and
- Principle C: Integrity in corporate reporting and meaningful relationship with stakeholders.

This Statement should be read together with the Company's Corporate Governance Report (**"CG Report"**) which describes how the Company applies the Corporate Governance (**"CG"**) practices for the financial year ended 30 June 2021 (**"FY2021"**). The CG Report is available on the Company's website: <https://www.awantec.my> or through the announcement published on the website of Bursa Securities.

For the financial year under review, the Company was not in compliance of Principle 4.5 as it does not meet the recommended 30% for women participation on its Board. It has currently two (2) female directors out of ten (10) directors.

GOVERNANCE FRAMEWORK

The diagram below describes the governance framework of the Group to demonstrate the interaction between the Board and its stakeholders. The Group has also in place processes to ensure delegation flows through the Board and its committees and into the organisation.



PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

THE ROLE OF THE BOARD

The Board remains resolute and upholds its responsibility in governing, guiding and monitoring the direction of the Company with the eventual objective of enhancing long-term sustainable value creation aligned with shareholders' interests whilst taking into account the long-term interests of all stakeholders, including shareholders, employees, customers, business associates and the communities in which the Group and the Company conducts its business.

The Board's primary commitment is to lead and oversee the business of the Company and to ensure that the conduct of the Group's operations promotes business sustainability, integrity and complies with the relevant law, rules and regulations. Hence, the Board reviews the strategy of the Company in the Company's annual budget meeting. The role of the Board is stated in the Board Charter. A copy of the Board Charter is available on the Company's website at <https://www.awantec.my>

BOARD CHARTER

The Board Charter is a comprehensive reference document for Directors on matters relating to the Board, its structure, and its processes. The Board Charter also sets out the roles and responsibilities of the Board, the individual Directors, the Senior Independent Director ("SID"), the Chairman and the President/GCEO. In addition, the processes for the onboarding of new directors and guidance on training and development and assessment of the Board are also prescribed in the Board Charter.

BOARD RESERVED MATTERS

Matters that are reserved for the Board are also stated in the Board Charter which is subject to review from time to time. They are summarised as follows:

Appointment and removal of Board members, senior management, and Auditors	Matters relating to corporate governance and whistleblowing	Approval of major expenditure, the Company's annual business plan and scorecard	Dividends	Calling of shareholders meeting	Terms of Reference of Board Committees
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CORPORATE GOVERNANCE ("CG") IN COVID-19

The financial performance as well as the welfare of the Group remain as a top priority to the Board. Without compromising the CG practices, the Group adapted to the current challenging scenarios to ensure stakeholders' interest were preserved and protected. Operations were carried remotely to safeguard the employees and customers from the risk of the COVID-19.

Meetings were conducted on a fully virtual setting in compliance to the movement control order announced by the Government of Malaysia and decisions were sought via virtual board meetings and/or resolutions in writing.

BOARD DELIBERATIONS

The Board met on a quarterly basis and meetings were scheduled prior to the commencement of each financial year. Special Board Meetings will be held to discuss urgent matters if required. During FY2021, the Board met nine (9) times to deliberate and consider any significant issues that require a thorough discussion and approval. All Directors have complied with the minimum 50% attendance requirement in respect of Board Meetings as stipulated in the Bursa Securities MMLR.

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Agenda and matters for discussion are prepared and circulated in advance of each meeting. All proceedings from Board meetings are recorded and the minutes are maintained by the Company Secretaries.

The discussed topics and agendas for the meetings held in FY2021 are summarised as follows:-

Strategy & Finance	Risk & Compliance	Governance
<ul style="list-style-type: none"> Proposed Fund Raising for Rights Issue, Private Placement and Long-Term Incentive Plan Group Budget for the Financial Year Ended ("FYE") 30 June 2021 Approval of the unaudited quarterly reports Reviewed and recommended the payment of Directors' fees of up to an amount of RM450,000 for the FYE 30 June 2021 Reviewed and recommended the payment of Directors' benefits of up to an amount of RM153,000 from 26 November 2020 until the next Annual General Meeting of the Company Approved the appointment of LTIPC members Proposed disposal of property 	<ul style="list-style-type: none"> Risk Management Status of business units Discussed the status of the Company being an affected issuer effective 31 January 2021, pursuant to Paragraph 8.03A of Bursa Securities MMLR 	<ul style="list-style-type: none"> Re-election of Independent Non-Executive Directors and Non-Independent Executive Directors Discussed the retention of Senior Independent Non-Executive Director, who exceeded the cumulative term limit of nine (9) years pursuant to the MCGG Approved the disclosures in Annual Report Approved the appointment of the Company's Group Financial Controller Approved the appointment and remuneration package of the Company's Chief Business Officer Reviewed the composition of the Board Annual board evaluation Review of the Company's Policies and Terms of Reference Reviewed and approved the appointment of three (3) new INED Reviewed the Key Performance Indicators ("KPI") planned for FY2021 for the GCEO and C-Suite level officers Reviewed and approved the draft Audited Financial Statements for FY2020 Discussed the re-appointment of Messrs. Crowe Malaysia PLT as Auditors of the Company for the ensuing year

DEMARCATIION OF RESPONSIBILITIES

The roles of the Chairman and the President/GCEO are held by different individuals which are segregated and clearly defined by their individual position descriptions. Further, the Board members have unrestricted access to the advice and services of the Company Secretaries.

<u>CHAIRMAN</u> <ul style="list-style-type: none"> Syed Naqiz Shahabuddin bin Syed Abdul Jabbar 	<p>The Chairman, who is an independent director, is responsible in providing leadership for the Board by leading and facilitating discussions at meetings to ensure that the Board can perform its responsibilities effectively.</p>
<u>PRESIDENT/GCEO</u> <ul style="list-style-type: none"> Dr. Abu Hasan bin Ismail 	<p>All Board authority conferred on management is delegated through the GCEO so that the authority and accountability of management is considered to be the authority and accountability of the GCEO so far as the Board is concerned. The GCEO is responsible for the overall business and day to day management of the Group and his role is to lead the management and implement business decisions. He is assisted by Mr. Baldesh Singh a/l Manmohan Singh, the Chief Operating Officer ("COO").</p>
<u>COMPANY SECRETARIES</u> <ul style="list-style-type: none"> Chua Siew Chuan Lim Lih Chau 	<p>The Company Secretaries are responsible for all matters in relation to the proper functioning of the Board and to facilitate effective information flow between the Board and the Board Committees and between the Board with management of the Company. The Board is regularly updated and apprised by the Company Secretaries on the laws and regulations (or any amendments thereto), as well as directives issued by the regulatory authorities.</p>
<u>SENIOR INDEPENDENT DIRECTOR</u> <ul style="list-style-type: none"> Paul Chan Wan Siew 	<p>To act as an intermediary for other Directors when necessary and provide an alternative channel of communication for shareholders and other stakeholders to convey their concerns and issues.</p>
<u>INDEPENDENT DIRECTORS</u> <ul style="list-style-type: none"> Ramanathan a/l Sathiamutty Ginny Yeow Mei Ying Professor Emeritus Dato' Dr. Hassan bin Said Hafidah Aman binti Hashim Dato' Tharuma Rajah @ K. T. Rajan a/l R. Krishnan YM Tunku Abang Faisal Amir bin Abang Abu Bakar 	<p>Their role is to constructively challenge the Management and monitor the success of Management in delivering the approved targets and business plans within the risk appetite set by the Board. They have free and open contact with Management at all levels, and they engage with the external and internal auditors to address the matters concerning the management and oversight of the Company's business and operations.</p>
<u>EXECUTIVE DIRECTORS</u> <ul style="list-style-type: none"> Dr. Abu Hasan bin Ismail Baldesh Singh a/l Manmohan Singh 	<p>Responsible for providing strategic leadership and overseeing the day-to-day operations and management within their specific areas of expertise or assigned responsibilities.</p>

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SUPPLY OF INFORMATION

All members of the Board are supplied with information in a timely manner where the Company strives to do so five (5) business days in advance. Board reports and meeting papers are circulated in advance prior to the Board meetings to enable Directors to obtain further information and explanations, where required, before the meetings. Minutes of meetings, which accurately reflect the deliberation and decisions of the Board are also circulated within a reasonable period of time upon conclusion of each meeting.

CORPORATE INTEGRITY

Code of Conduct and Whistleblowing Policy

The Company has adopted the Code of Conduct and the Whistleblowing Policy to uphold integrity and cultivate ethical business conduct by the employees.

The Code of Conduct contains policies and guidelines relating to the standards and ethics that all employees are expected to observe and obey during the course of their employment in the Company whereas the Whistleblowing Policy is designed to enable employees of the Company to raise concern and disclose information which the individual believes shows malpractice or impropriety.

As at the date of this Statement, the Company has not received any complaint under this procedure.

A copy of the Code of Conduct along with the Whistleblowing Policy are available on the Company's website at <https://www.awantec.my>

Anti-Bribery and Corruption Manual

To ensure compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Company had adopted Anti-Bribery and Corruption Manual to regulate how the Company, its Subsidiaries, directors, employees contractors, subcontractors, consultants, agents and representatives conduct themselves in their dealings with the Company, at work and with the Company's stakeholders. The Company is committed in ensuring that its subsidiaries and employees conduct themselves in an honest and ethical manner reflecting the highest standards of integrity and in compliance with all relevant laws and regulations applicable to it and in compliance with the relevant legislations. The Company is also committed to a zero-tolerance policy against all forms of bribery and corruption. A copy of the Anti-Bribery and Corruption Manual (which should be read in conjunction with the Code of Conduct and Whistleblowing Policy) is available on the Company's website at <https://www.awantec.my>

FINANCIAL REPORTING

The Board aims to provide a balance and meaningful assessment of the Group's and the Company's financial performance and prospects through the annual audited financial statements and announcement of quarterly results to shareholders and the Management Discussion and Analysis in the Annual Report. This is led by the Audit Committee. Details of the Audit Committee's efforts are as stated in the Audit Committee Report on pages 103 to 106 of this Annual Report. The Statement of Responsibility by Directors in respect of the preparation of the annual audited financial statements of the Group and the Company is set out on page 122 of this Annual Report.

SUSTAINABILITY AND THE BOARD

The Board acknowledges the importance of integrating sustainability practices in the strategy and operations of the Group to ensure the long-term sustainability of its business. The Board has established a Sustainability Framework and the management of the sustainability measures of the Group are led by the Sustainability Committee. The Sustainability Committee is chaired by the GCEO and COO.

The Board is kept abreast of the Group's sustainability efforts at Board meetings by the Group CEO. Details of the Company's sustainability practices are as set out on pages 39 to 78 of this Annual Report.

BOARD COMPOSITION

The Company complies with Bursa Securities MMLR with regard to Board's composition and the required ratio of Independent Directors with 80% of the Board comprising of Independent Directors. The profiles of the Directors are set out on pages 30 to 34 of this Annual Report.

Director Independence Status	Meetings attendance record (1 July 2020 to 30 June 2021)						
No. of Non-Independent Directors	No. of Independent Directors						
2 persons	20%		8 persons			80%	
	BOD	AC	NC	RC	RMC	LTIP	AGM
	No. of meetings held in FYE 2021						
No.	9	7	3	2	1	4	1
% of Attendance	98.41	100	100	87.5	80	100	100
Current Directors							
Syed Naqiz Shahabuddin bin Syed Abdul Jabbar Independent Non-Executive Chairman <ul style="list-style-type: none"> Chairman since 20 January 2021 Board member since 20 January 2021 	3	n/a	n/a	n/a	n/a	n/a	n/a
Paul Chan Wan Siew Senior Independent Non-Executive Director <ul style="list-style-type: none"> Board member since 18 November 2010 Last re-elected on 25 November 2020 	9	7	n/a	n/a	1	4	1

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Dr. Abu Hasan bin Ismail Non-Independent Executive Director – President/Group CEO <ul style="list-style-type: none"> • Board member since 18 November 2010 • Last re-elected on 25 November 2020 	8	n/a	n/a	n/a	0	4	1
Ramanathan a/I Sathiamutty Independent Non-Executive Director <ul style="list-style-type: none"> • Board member since 16 April 2014 • Last re-elected on 27 November 2019 	9	7	3	2	1	4	1
Baldesh Singh a/I Manmohan Singh Non-Independent Executive Director – COO <ul style="list-style-type: none"> • Board member since 28 February 2019 • Last re-elected on 27 November 2019 	9	n/a	n/a	n/a	1	4	1
Ginny Yeow Mei Ying Independent Non-Executive Director <ul style="list-style-type: none"> • Board member since 28 February 2019 • Last re-elected on 27 November 2019 	9	n/a	3	1	1	n/a	1
Professor Emeritus Dato' Dr. Hassan bin Said Independent Non-Executive Director <ul style="list-style-type: none"> • Board member since 25 February 2020 • Last re-elected on 25 November 2020 	9	7	3	2	n/a	4	1

Hafidah Aman binti Hashim Independent Non-Executive Director <ul style="list-style-type: none"> Board member since 25 February 2020 Last re-elected on 25 November 2020 	9	7	3	2	n/a	n/a	1
Dato' Tharuma Rajah @ K. T. Rajan a/l R. Krishnan Independent Non-Executive Director <ul style="list-style-type: none"> Board member since 20 January 2021 	3	n/a	n/a	n/a	n/a	n/a	n/a
YM Tunku Abang Faisal Amir bin Abang Abu Bakar Independent Non-Executive Director <ul style="list-style-type: none"> Board member since 20 January 2021 	3	n/a	n/a	n/a	n/a	n/a	n/a

OVERALL PERCENTAGE OF THE BOARD MEETINGS ATTENDED BY THE MEMBERS 98.41%	ALL MEMBERS HAVE COMPLIED WITH THE MINIMUM ATTENDANCE AS STIPULATED IN THE MAIN MARKET LISTING REQUIREMENTS OF NOT LESS THAN 50%	TOTAL BOARD MEETINGS HOURS 14 HOURS 20 MINUTES
DATE OF BOARD MEETINGS <ul style="list-style-type: none"> 21 July 2020 (Special Board of Directors' Meeting) 23 July 2020 (Special Board of Directors' Meeting) 19 August 2020 (Special Board of Directors' Meeting) 26 August 2020 (Board of Directors' Meeting) 30 September 2020 (Special Board of Directors' Meeting) 25 November 2020 (Board of Directors' Meeting) 26 January 2021 (Special Board of Directors' Meeting) 24 February 2021 (Board of Directors' Meeting) 27 May 2021 (Board of Directors' Meeting) 		

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BOARD COMMITTEES

The Board has delegated authority to several Board Committees to enable the Board to discharge its duties and responsibilities properly and exercise oversight in specific areas. There are five (5) established committees (as listed below) focusing on Audit, Risk Management, Nomination, Remuneration and Long-Term Incentive Plan. The Terms of Reference of the respective Board Committees can be found at the Company's website: <https://www.awantec.my>

The Chairman of the various Board Committees report to the Board on the outcome of the respective Board Committee meetings. Such reports are incorporated in the minutes of the full Board meetings.

Audit Committee ("AC")	Nomination Committee ("NC")	Remuneration Committee ("RC")	Risk Management Committee ("RMC")	Long Term Incentive Plan Committee ("LTIP")
1) Paul Chan Wan Siew 2) Ramanathan a/l Sathiamutty 3) Professor Emeritus Dato' Dr. Hassan bin Said 4) Hafidah Aman binti Hashim	1) Professor Emeritus Dato' Dr. Hassan bin Said 2) Ramanathan a/l Sathiamutty 3) Ginny Yeow Mei Ying 4) Hafidah Aman binti Hashim	1) Professor Emeritus Dato' Dr. Hassan bin Said 2) Ramanathan a/l Sathiamutty 3) Ginny Yeow Mei Ying 4) Hafidah Aman binti Hashim	1) Ramanathan a/l Sathiamutty 2) Ginny Yeow Mei Ying 3) Paul Chan Wan Siew 4) Dr. Abu Hasan bin Ismail 5) Baldesh Singh a/l Manmohan Singh	1) Professor Emeritus Dato' Dr. Hassan bin Said 2) Ramanathan a/l Sathiamutty 3) Paul Chan Wan Siew 5) Dr. Abu Hasan bin Ismail 6) Baldesh Singh a/l Manmohan Singh
Details of the role and activities of AC are found on page 103 of this Annual Report.	Details of the role and activities of NC are found on page 109 of this Annual Report.	Details of the role and activities of RC are found on page 107 of this Annual Report.	Details of the role and activities of RMC are found on page 113 of this Annual Report.	Details of the role and activities of LTIPC are found on page 111 of this Annual Report.

BOARD INDEPENDENCE

Independent Directors play an important role in the Company by ensuring that the interest of all stakeholders are looked after and not just the interest of a particular group. As such, in line with its role outlined in its Terms of Reference, the NC will, review the independency of the Independent Directors from time to time. Supported by the recommendation of the NC, the Board is satisfied with the level of independence demonstrated by all the Independent Directors and their ability to act in the best interests of the Company which also meets the independence criteria as stipulated in Paragraph 1.01 of the Bursa Securities MMLR.

The Board Charter provides that the tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as a Non-Independent Director. Otherwise, the Board must provide justification and seek shareholders' approval at the Annual General Meeting ("AGM") in the event it intends to retain the Director as an Independent Director.



At the coming AGM, the tenure of the Senior Independent Non-Executive Director of the Company namely, Mr. Paul Chan Wan Siew is eleven (11) years which has exceeded the cumulative term of nine (9) years. Both the NC and the Board have assessed the independence of Mr. Paul Chan Wan Siew and are satisfied with how he carries out his role as an Independent Director as well as the independent judgement that he brought to the Board. In view thereof, the Board recommends and supports his retention as an Independent Director of the Company which will be tabled for the shareholders' approval at the forthcoming AGM based on the following justifications:-

- (a) Mr. Paul Chan Wan Siew has met the independence guidelines as set out in Paragraph 1.01 of the Bursa Securities MMLR;
- (b) He has not been entering nor is expected to enter into transaction(s) especially material contract(s) with the Group and/or the Company which would cause any conflict of interest with the Group and/or the Company;
- (c) He does not have any relationship which would interfere his independent judgement in carrying out his function as an Independent Director; and
- (d) He is familiar with the Group's activities and is able to provide tremendous insight to facilitate the decision-making processes of the Group.

BOARD DIVERSITY

The Board recognises the importance of diversity and inclusivity in a board as these values bring about multiple views and challenges common thinking patterns to arrive at good decisions. The Board has established a Diversity Policy where diversity is broadly categorised into the following: (a) Skills, expertise and experience (b) Gender (c) Age (d) Independence and (e) Cultural background.

The current Board embodies diversity and below is an overview of the Board's diversity in terms of skills, experience, age, tenure and gender comparison.

Gender Diversity		Age Diversity		Board Tenure		Board Skills and Expertise
	8 Males	2	35 to 44	7	<4 years	<ul style="list-style-type: none"> accounting, auditing, and investment taxation and finance legal and economics international business and business operations information technology
		3	45 to 54	1	5 - 8 years	
	2 Females	2	55 to 64	2	9 -12 years	
		3	65 to 74	–	–	

The Board is supportive of boardroom gender diversity as recommended by the MCCG. However, the Board currently only consists of two (2) female directors and has not met the 30% target recommended by the Code. Nevertheless, 52.7% of the Group's employees are female. The Company targets to comply with the 30% representation within two (2) years.

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BOARD APPOINTMENT

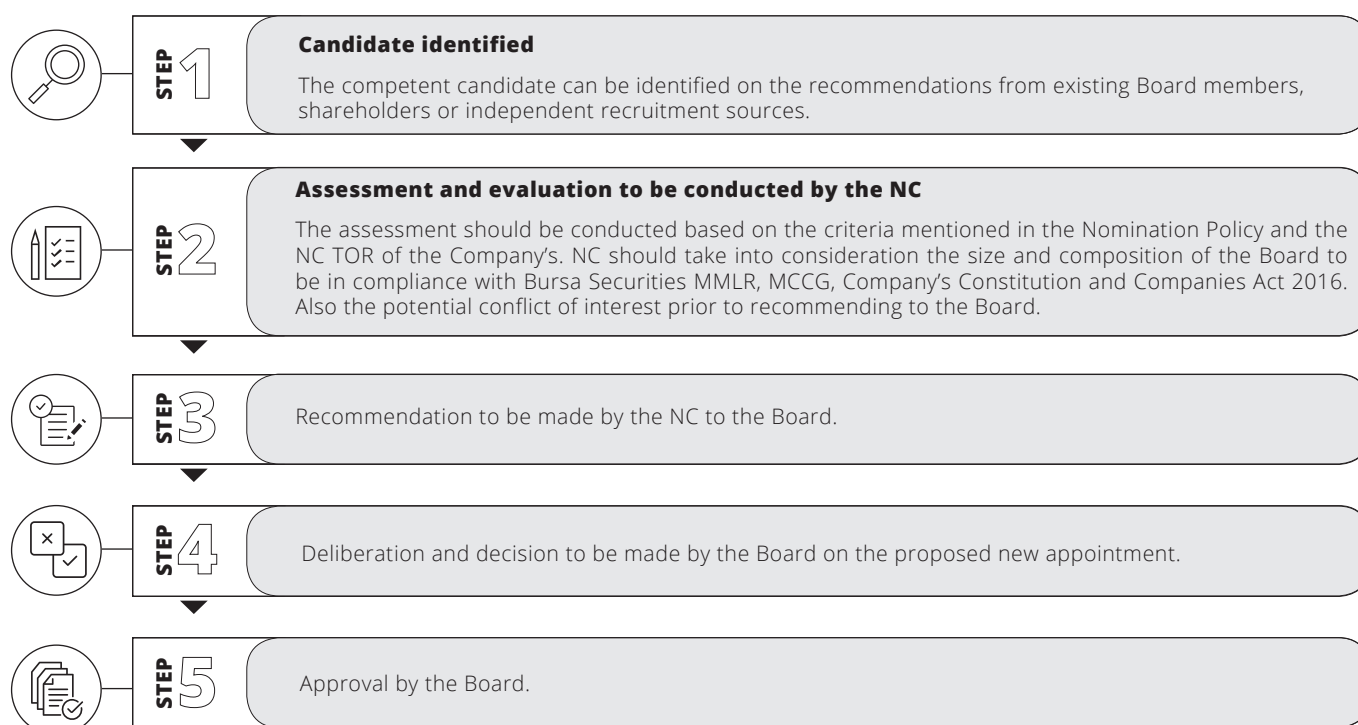
The recruitment and appointment of new Directors is one of the key roles of the NC. The NC will ensure that the selection, nomination, and appointment of suitable candidates to the Board follow the processes set out in the Nomination Policy and its terms of reference.

The NC shall consider and recommend to the Board the selection criteria for new appointment or re-appointment of any existing member(s) as Director and its Committee, which include amongst others:-

- Reputation for integrity.
- Accomplishment, experience and reputation in the technology industry and other relevant sectors.
- Commitment in respect of sufficient time, interest, and attention to the Company's business.
- Diversity in all aspects, including but not limited to gender, age, cultural/educational and professional background, skills, knowledge, and experience.
- The ability to assist and support management and make significant contributions to the Company's success.
- Independence, for the appointment of INED.

The Company Secretaries ensure that all appointments are properly made as prescribed by the Bursa Securities MMLR and necessary information is obtained from the newly appointed Director, both for the Company's records and for meeting statutory obligations as well as other regulatory requirements.

The table below demonstrates the process on appointing new director of the Company:-



Each newly appointed director shall be briefed on the terms of their appointment, their duties, and obligations and on the operations of the Group. Copies of the following shall be provided to the newly appointed Director:-

- Board Charter;
- Constitution;
- Directors' Code of Conducts and Ethics;
- Board Committees' Composition and TOR;
- Latest Business Plans;
- Latest Annual Report and financial statements; and
- Latest Organisation chart.

SUCCESSION PLANNING

The NC is also responsible to review Board's succession planning to ensure there is an appropriate dynamic of skills, knowledge, experience, professional background, accomplishment, expertise, and diversity on the Board to support the growth and strategies of the Company.

There were three (3) new board members duly appointed by the NC during the financial year under review. In compliance with the Practice 8.1 of MCCG, Encik Syed Naqiz Shahabuddin bin Syed Abdul Jabbar was appointed as Independent Non-Executive Chairman with effect from 20 January 2021 to replace Mr. Paul Chan Wan Siew who acted as the interim Chairman since the retirement of Dato' Maznah binti Abdul Jalil on 27 November 2019.

YM Tunku Abang Faisal Amir bin Abang Abu Bakar and Dato' Tharuma Rajah @ K.T. Rajan a/l R. Krishnan were appointed as Independent Non-Executive Directors with effect from 20 January 2021.

BOARD EFFECTIVENESS EVALUATION

The NC is responsible in conducting an annual assessment of individual performance of directors and collective performance of the Board and its Committees. The Board is cognisant of the importance of the annual assessment to produce significant improvements in Board effectiveness as well as a useful tool to recognise the Board's strengths and to identify gaps or areas of improvement for the Board and its Committees.

Below are the process undertaken by the NC for board effectiveness evaluation:-



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The assessment criteria used in the performance evaluations are as follows:

- a. Board of Directors and Board Committees
Board mix and composition, quality of information and decision making, boardroom activities, Board's relationship with the management, roles and responsibility of the board committee.
- b. Individual Directors
Fit and proper, contribution and performance as well as calibre and personality.
- c. Audit Committee and Individual AC member
Skill sets
- d. Independence of the Independent Non-Executive Director
Declaration of Independent Directors

Below are the results of the evaluation assessment during financial year under review:-

i) Effectiveness of the Board, as a whole, and the Committees of the Board

Overall, the ratings of the performance of the Board and the Board Committees were "Yes, most of the time/Average and "Yes, always/Above average"" based on the assessment results.

ii) Contribution and performance of each individual Director

Overall, the ratings of the contribution and performance of each individual Director were "Above average/Yes, always" based on the assessment results.

iii) Contribution and performance of the AC and each individual AC member

Overall, the ratings of the contribution and performance of the AC and each individual AC member were "Yes, always or above average" based on the assessment results.

iv) Independence of the Independent Non-Executive Directors

Based on the confirmation received from the Independent Non-Executive Directors, all the Independent Non-Executive Directors are independent as defined under Bursa Securities MMLR and the Independent Directors have raised their concerns or expressed their views on issues with regards to the performance and operations of the Group.

The review supported the Board's decision to endorse all retiring Directors standing for election. The assessment report together with the report on the Board balance (the required mix of skills, experience, and other qualities) were discussed and circulated to the Board. The results affirmed that the Board and each of its committees continue to operate effectively.

Protocol for accepting new directorships and time commitment

The Board also acknowledges that before accepting any new directorships, directors should notify the Chairman and indicate the amount of time that will be spent on the new appointment. The directors are expected to devote sufficient time to discharge their duties as directors of the Company.

DIRECTOR'S RETIREMENT AND RE-ELECTION

In accordance with the Company's Constitution, one-third (1/3) of the Directors are subject to retirement by rotation at every AGM and provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. Directors who are appointed by the Board are subject to re-election by the shareholders at the AGM held following their appointments. Pursuant to the Clause 119 of the Company's Constitution, Mr. Ramanathan a/l Sathiamutty and Mr. Baldesh Singh a/l Manmohan Singh are the Directors subject to re-election by rotation, of whom being eligible for re-election, have offered themselves for re-election at this forthcoming AGM.

Encik Syed Naqiz Shahabuddin bin Syed Abdul Jabbar, YM Tunku Abang Faisal Amir bin Abang Abu Bakar and Dato' Tharuma Rajah @ K.T. Rajan a/l R. Krishnan, who were appointed on 20 January 2021 are subject to retirement pursuant to Clause 118 of the Company's Constitution and being eligible, have offered themselves for re-election at this forthcoming AGM.

The right for the shareholders to vote annually for election/re-election of all directors is explicitly provided in the Company's Constitution and Board Charter. The results of shareholders' voting in the AGM are disclosed in detail in the AGM minutes as published in our website: <https://www.awantec.my>

DIRECTORS' TRAINING

The Board recognised the need to ensure that the Directors are equipped with the necessary skills and knowledge in discharging their responsibilities in meeting goals and objectives of the Company. As at FY2021, the Board has attended multiple training programmes/seminars/forums and the programmes attended by the Directors during the financial year are as follows:

Name of Directors	Training Programmes/Seminars/Forum Attended	Organisers
Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (Appointed w.e.f 20 January 2021)	Malaysian Code on Corporate Governance	MMC Corporation Berhad
	Malaysia Code on Corporate Governance	AwanBiru Technology Berhad
	Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
	Transformational Leadership at the Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
Paul Chan Wan Siew	The Next Normal: Business Continuity	Diligent
	Workforce & Talents: Implications for Boards	National Association of Corporate Directors, Pacific Southwest Chapter
	Family & Private Companies: Implications for Boards	National Association of Corporate Directors, Pacific Southwest Chapter
	Technology: Implications for Boards	National Association of Corporate Directors, Pacific Southwest Chapter
	MDEC-MACD Webinar: Data Driven Decision	Malaysia Digital Economy Corporation
	Paradigm Shift in Human Capital Management	FPLC
	COVID-19 & Future of Global Supply Chains	Conference Board
	Security Beyond Boardroom	Diligent
	International Integrated Reporting Council (IIRC) Global Conference	IIRC

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Name of Directors	Training Programmes/Seminars/Forum Attended	Organisers
Paul Chan Wan Siew (Cont'd)	AI World Summit 2020	AI World School Singapore
	AI for SMEs (AI4S)	Malaysian Investment Development Authority
	Economic Outlook for the Europe: Implications for China & Asia	Conference Board
	Integrated Report Assurance Initiatives – EY Case Studies	IIRC
	McKinsey: Future of Work after COVID-19	FPLC
	<IR> Business Network and Investor Roundtable on Sustainability-Related Disclosure within an Integrated Report	IIRC
	Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
Ramanathan a/l Sathiamutty	1 st Government Cloud Rendezvous	Malaysian Administrative Modernisation and Management Planning Unit
	Public Sector Digital Conference	Malaysian Administrative Modernisation and Management Planning Unit
Dr. Abu Hasan bin Ismail	Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
Baldesh Singh a/l Manmohan Singh	Public Sector Digital Conference	Malaysian Administrative Modernisation and Management Planning Unit
	Google Hybrid Cloud Offerings	Google Cloud
	Introduction to Product Management	General Assembly
	Cloud Computing Fundamentals	Percipio
	Moving to the Cloud	Percipio
	Cloud Services Models & Benefits	Percipio
	Cloud Computing Fundamentals	Percipio
	Expert Insights on Managing Change	Percipio
	Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
Ginny Yeow Mei Ying	Redefine Business Continuity	CPA Malaysia
	International CSR and Sustainability Summit 2020 - Valuation, Debunking the Myths	Asian Banking School
	2021 Investment Outlook Southeast Asia	HSBC
	Governance in the New Norm (Creating Sustainable Value for Stakeholders)	Malaysian Institute of Accountants

Name of Directors	Training Programmes/Seminars/Forum Attended	Organisers
Professor Emeritus Dato' Dr. Hassan bin Said	Mandatory Accreditation Programme for Directors of PLC	Asia School of Business
	Anti-Bribery and Corruption: S.17A Corporate Liability Perspective	Quorse
	SIDC Sustainable and Responsible Investment 2021 Virtual Conference	Securities Industry Development Corporation
	Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
	Corporate Directors Training Programme Fundamental 3.0	Companies Commission of Malaysia
	Business Foresight Forum 2021	Securities Industry Development Corporation
Hafidah Aman binti Hashim	Roles and Responsibilities of Directors under the Companies Act 2016	Mohamed Ridza & Co.
	Compliance with the Guidelines on Conduct of Directors of Listed Corporations and their subsidiaries by the Securities Commission	Mohamed Ridza & Co.
	Corporate Liability under Section 17A MACC Act 2009	Mohamed Ridza & Co.
	Corporate Directors Summit 2021	Malaysian Alliance of Corporate Directors
Dato' Tharuma Rajah @ K.T. Rajan a/l R. Krishnan (Appointed w.e.f. 20 January 2021)	Mandatory Accreditation Programme for Directors of PLC	Bursa Securities
YM Tunku Abang Faisal Amir bin Abang Abu Bakar (Appointed w.e.f. 20 January 2021)	COVID and Malaysia Economy	Credit Suisse
	Howden Asia Virtual Regional Conference	Howden
	Global Supertrends Conference 2021	Credit Suisse
	2H2021 Market Outlook	Affin Hwang
	Forbes Asia CEO Webinar	Forbes
	Mandatory Accreditation Programme for Directors of PLC	Bursa Securities

Apart from attending various conferences, seminars and training programmes organised by external/internal organisers during the financial year, the Directors also continuously received briefings and updates on regulatory from the Company Secretaries and industry including information on the Group's businesses and operations, risk management activities and other initiatives undertaken from Management.

Corporate Governance Overview Statement

DIRECTORS AND SENIOR MANAGEMENT REMUNERATION

The objective of the RC is to assist the Board and its subsidiaries in ensuring that it has a competitive remuneration package to attract, reward, retain and motivate the Directors and Senior Management needed to run the Company successfully and to achieve Company's long-term business objective.

In formulating the recommended remuneration packages, the RC has taken into consideration the information prepared by Management and/or independent consultants based on data of comparable companies.

On 25 January 2021, the Company announced the establishment of a Long-Term Incentive Plan as part of its talent retention strategy and to reward employees and directors for their contribution.

A copy of the Remuneration Policy is available on the Company's website at <https://www.awantec.my>

Remuneration of Non-Executive Director

All Non-Executive Directors are paid an annual retainer fee.

The level of remuneration reflects the experiences, skills, knowledge and level of responsibilities undertaken by the Non-Executive concerned. Amongst other factors to consider is performance of the Company and the Group in operating its business.

Remuneration of the Non-Executive Directors is a matter for the Board as a whole and will require shareholders' approval at the AGM.

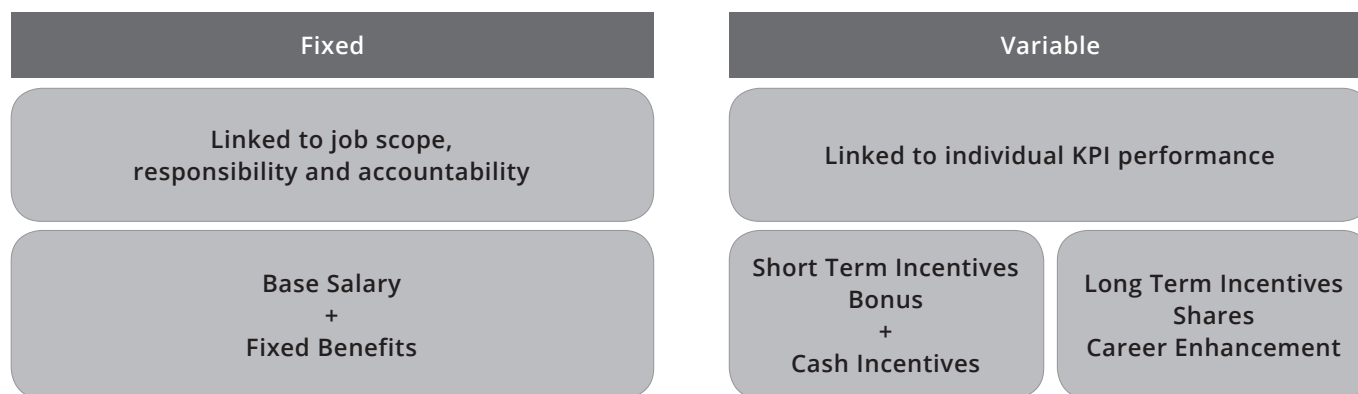
The Non-Executive Directors receive remuneration package consisting of the following components:-

Fixed	Variable
<ul style="list-style-type: none"> • Board Fee • Committee Fee • Benefits <ul style="list-style-type: none"> - Directors and Officers Liability Insurance - Benefits-in-kind 	<ul style="list-style-type: none"> • Meeting Allowance • Other Emoluments

Remuneration of Executive Directors and Senior Management

The remuneration of Executive Directors and Senior Management is governed by the principles and practices as applicable to another salaried employee of the Group. Components of the remuneration are structured to link rewards to corporate and individual performance.

The Executive Director and Senior Management receive a competitive remuneration package consisting of the following components:-



The performance of the Executive Directors and Senior Management is measured based on the achievements of his or her annual KPI as well as the performance of the Group towards the year.

Below is the summary of the procedures on the remuneration of Executive Directors and Senior Management:



The procedures relating to the remuneration of Executive Directors and Senior Management are also contained in the Remuneration Policy which includes “malus and clawback” provisions for bonus and/or cash incentives paid erroneously.

Awantec has adopted Practice 7.2 of MCGG with regard to disclosure of Senior Management’s remuneration and the details is further disclosed in the CG Report which is available on the Company’s website at <https://www.awantec.my>

Corporate Governance Overview Statement

Disclosure on Directors' Remuneration

Details of the remuneration received by the Directors for the FYE 30 June 2021 were as follows:-

A. Received from AWANTEC

	Directors' Fee (RM)	Salary (RM)	Bonus (RM)	Statutory Contribution (RM)	Benefit-In-Kind (RM)	Other Emoluments (RM)	*ESOS Expenses (RM)	Total (RM)
COMPANY								
Non-Executive Directors								
Syed Naqiz Shahabuddin bin Syed Abdul Jabbar (Appointed w.e.f. 20 January 2021)	39,484	-	-	-	-	3,600	-	43,084
Paul Chan Wan Siew	87,000	-	-	-	-	45,600	24,849	157,449
Ramanathan a/l Sathiamutty	66,000	-	-	-	-	44,400	-	110,400
Ginny Yeow Mei Ying	66,000	-	-	-	-	19,200	4,609	89,809
Professor Emeritus Dato' Dr. Hassan bin Said	66,000	-	-	-	-	43,200	2,575	111,775
Hafidah Aman binti Hashim	66,000	-	-	-	-	38,400	2,575	106,975
YM Tunku Abang Faisal Amir bin Abang Abu Bakar (Appointed w.e.f. 20 January 2021)	26,323	-	-	-	-	3,600	-	29,923
Dato' Tharuma Rajah @ K.T. Rajan a/l R. Krishnan (Appointed w.e.f. 20 January 2021)	26,323	-	-	-	-	3,600	-	29,923
Subtotal	443,130	-	-	-	-	201,600	34,608	679,338
Executive Directors								
Dr. Abu Hasan bin Ismail	-	480,000	-	72,593	50,000	120,000	-	722,593
Baldesh Singh a/l Manmohan Singh	-	360,000	-	51,317	-	59,400	64,452	535,169
Subtotal	-	840,000	-	123,910	50,000	179,400	64,452	1,257,762
Grand Total	443,130	840,000	-	123,910	50,000	381,000	99,060	1,937,100

* Note: The value of shares is based on valuation used for MFRS 2 Accounting. No actual payment(s) is incurred.

B. Received from the GROUP

	Directors' Fee (RM)	Salary (RM)	Bonus (RM)	EPF Contribution (RM)	Benefit-In-Kind (RM)	Other Emoluments (RM)	Total (RM)
Group							
Non-Executive Directors							
Professor Emeritus Dato' Dr. Hassan bin Said (Resigned as Director of PESB w.e.f. 16 November 2020)	13,000	-	-	-	-	-	13,000
Subtotal	13,000	-	-	-	-	-	13,000
Total	13,000	-	-	-	-	-	13,000

Note: The above is in relation to Serba Dinamik Education Sdn. Bhd. (formerly known as Prestariang Education Sdn. Bhd.) ("PESB") in which the disposal was completed on 16 November 2020 pursuant to a Share Sale Agreement dated 25 February 2020.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT**AUDIT COMMITTEE**

The composition and details of activities carried out by the Audit Committee during the financial year under review are set out in the Audit Committee Report of this Annual Report.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK**Internal Control**

The Board has overall responsibility for maintaining a system of internal control and risk management that provides a reasonable assurance of effective and efficient operations and compliance with laws and regulations, as well as with internal procedures and guidelines.

The Board is of the view that the system of internal control and risk management in place during the year, is sound and sufficient to safeguard the Group's assets, as well as shareholders' investments, and the interests of customers, regulators, employees and other stakeholders. The Statement on Risk Management and Internal Control furnished on pages 115 to 119 of this Annual Report provides an overview of the internal control within the Group during the financial year under review.

Internal Audit

During the financial year under review, the internal audit activity continued to be outsourced to KPMG Management and Risk Consulting Sdn. Bhd. to provide internal audit services for greater independence in internal audit function.

A summary of the activities of the Audit Committee and the Internal Auditors during the financial year under review is set out in the Audit Committee Report on pages 103 to 106 of this Annual Report.

Corporate Governance Overview Statement

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

The Company recognises the importance of communicating with its shareholders and other stakeholders as it is a key component to uphold the principles and best practices of corporate governance for the Group and the Company.

The Board has developed and adopted as part of its Investor Relations (“IR”) Policy guidelines on stakeholder engagement which stipulate the authorised channels and personnel through which/whom certain information of the Group shall be approved and disclosed to internal and external stakeholders. The Company executes its IR programme following the framework as set out in the IR Policy. The Policy provides comprehensive guides, processes and procedures around for which the programme is structured including corporate disclosures. The approved IR Policy is published in the Company's website at <https://www.awantec.my>

In maintaining the commitment to effective communication with shareholders and stakeholders, the Company adopts the practice of comprehensive, timely and continuing disclosures of information to its shareholders and stakeholders. This practice of disclosure of information is not just established to comply with Bursa Securities MMLR pertaining to continuing disclosure, but it also adopts the best practices as recommended with regards to strengthening engagement and communication with its shareholders. Where possible and applicable, the Company also provides additional disclosure of information on a voluntary basis. The Company believes that consistently maintaining a high level of disclosure and extensive communication with its shareholders is vital to shareholders and investors to make informed investment decisions.

In addition, the Company makes various announcements through Bursa Securities, in particular, the timely release of the quarterly results within two (2) months from the close of a particular quarter. Summaries of the quarterly and full year results together with the full announcements are available at the Company's website and Bursa Securities' website.

Another important medium is initiating dialogues with the shareholders and stakeholders frequently. Media coverage on the Group is initiated at regular intervals to provide wider publicity and improve the understanding of the Group's business.

The Group also reaches out to its shareholders via social media platforms such as Instagram, Facebook, Twitter and LinkedIn. Notable events or news of the Group are posted on these sites.

INVESTOR RELATIONS

The annual report is a main channel of communication between the Company and its shareholders and stakeholders. The annual report communicates comprehensive information of the financial results and activities undertaken by the Group and the Company during the year under review. As a public listed company, the contents and disclosure requirements of the annual report are also governed by Bursa Securities MMLR.

The Company disseminates its annual report, together with an executive summary, to its shareholders in hard copy or digital pdf copy. The executive summary provides highlights of the Group's and the Company's key financial and corporate information.

Along with good corporate governance practices, the Company adheres to corporate disclosure policies in providing greater disclosure and transparency through all its communications with its shareholders, investors, and the general public. The Company has a dedicated section on its website focusing on IR matters. This section sets out the information such as the Company's announcements to the regulators, financial results, press releases, presentations slides for analysts briefing and the Company's annual reports.

The Group and the Company maintain the following website that allows all shareholders and investors access to information about the Group and the Company: <https://www.awantec.my>

Any further information regarding the Group and the Company may also be obtained from the following communication channels:-

Corporate Governance

Telephone : 03-8689 7000

Facsimile : 03-8689 7009

Email : inquiry@awantec.my

A summary of the corporate activities is set out on pages 8 to 9 of this Annual Report.

CONDUCT OF GENERAL MEETINGS

Another key avenue of communication with its shareholders is the Company's AGM, which provides a useful forum for shareholders to engage directly with the Directors and Senior Management. The shareholders are given at least twenty-eight (28) days from the date of notice of AGM. The notice was given on 23 October 2020 whilst the AGM was held on 25 November 2020. Sufficient notice period is given to the shareholders in order for them to schedule their time to attend the Company's AGM.

In view of the Covid-19 pandemic and the movement control order issued by the Government, the Company held its very first virtual AGM, via broadcasting from Menara Symphony, Petaling Jaya. The Company sought services from the share registrar to provide remote participation and voting facilities ("**RPV**") to conduct the meeting. Participants and proxies registered and were able to attend the AGM virtually and participate in a safe manner. All issues raised by the Minority Shareholders Watch Group ("**MSWG**") as well as the shareholders were answered during the AGM and any unanswered questions were attended to via email.

The Company also held an Extraordinary General Meeting ("**EGM**") on 15 September 2021 for the purposes of seeking shareholders' approval for its fund-raising exercise via a proposed private placement and renounceable rights issue. The EGM was also held on a virtual basis via remote participation through live stream and online voting.

At the Company's AGM, the President/GCEO of the Company presented a comprehensive and concise review of the Group's financial performance and value created for shareholders. This review is supported by visual and graphical presentation of the Group's performance. The Board and the senior management are present during the AGM to answer any enquiries from the shareholders.

Corporate Governance Overview Statement

The holding of fully virtual general meetings has enabled remote participation by shareholders and complies with social distancing rules.

Both the Company's AGM and EGM were attended by all its board members and senior management.

POLL VOTING

During the Tenth AGM and the EGM held last year, poll voting was used to facilitate the voting process for resolutions tabled. This is in line with Paragraph 8.29A of the Bursa Securities MMLR on the requirement for poll voting in which one share one vote principle applies for resolutions set out in the notice of general meetings which applies for general meetings held on or after 1 July 2016. The results of the polls were also verified by an independent scrutineer. The adoption of electronic poll voting at these meetings ensure accurate and more transparent voting results in a more efficient manner.

This CG Overview Statement was approved by the Board on 29 September 2021.