

**Annual Report Appendix For: R M A  
(CAMBODIA) PLC Annual Corporate Governance  
Report**



## **Part 1 - Shareholders**

### **A. Shareholders Structure (As of 31 December 2020)**

#### 1- Shareholder Information

Description	Nationality	Type of Share Holders	Number of Shareholders	Number of Share	Percentage
<b>Less than 5%</b>	Cambodian	Legal Person			
		Individual			
	Non Cambodian	Legal Person			
		Individual	Kevin Robert Whitcraft	1	0.01%
<b>From 5% to 30 %</b>	Cambodian	Legal Person			
		Individual			
	Non Cambodian	Legal Person			
		Individual			
<b>From 30%</b>	Cambodian	Legal Person			
		Individual			
	Non Cambodian	Legal Person	Clipper Holdings Limited	999	99.99%
		Individual			

#### 2- Shareholders Who Are Directors, Senior Officials and Employees of Listed Company

Shareholders	Number of Shareholders	Number of Shares	Percentage
<b>Kevin Robert Whitcraft</b>	1	1	0.01%
<b>Total</b>	1	1	0.01%

## **B. Shareholders' and Protection of Shareholders' Rights**

### **1- Rights of Shareholders**

Fundamental rights of shareholders within our company include but not limited to the following: right to receive relevant information to the company, right to participate and vote in shareholder meeting, and right to dividend.

### **2- Protection of Shareholders' Rights and the Company's Practice of the Protection of Shareholders' Rights**

It is our company's practices to ensure the followings rights of the shareholders:

- 1.1 Rights to access information: shareholders shall receive accurate and complete information in a timely manner made available by the Board of Directors and/or the company as required by the applicable law. Such information includes but not limited to the following:
  - (a) quarterly financial reports;
  - (b) audited annual financial statements;
  - (c) operating results and reports;
  - (d) information relevant to the directors and senior officers;
- 1.2 Rights to attend and voting in the general meeting of Shareholders: pursuant to Article 18 of the Articles of Incorporation of the Company, Shareholders who have the right to vote in manners described therein and shall:
  - (a) have the right to propose additions to the agenda of the general meeting of shareholders; and
  - (b) be able to vote, either directly or through a proxy, at the general meeting of shareholders.
- 1.3 Equitable treatment of shareholders: The company has only one class of shares, which are ordinary shares. All holders of the same class of shares shall be treated equally. Processes of and procedures for general meetings of the shareholders shall be made under the condition which allows all shareholders to have equal rights. One vote shall attach to each ordinary share.

### **3- Protection of Minority Shareholders' Rights and the Company's Practice of the Protection of Shareholders' Rights**

All shareholders in our company have rights equivalent to number of their shares to vote without any restriction. Any abuse or violation to its rights can be raised by the shareholder in accordance with applicable law.

## **C. General Shareholder Meeting**

### **1- Procedures of General Shareholder Meeting and Voting**

General meeting of shareholders shall be interpreted to cover both annual general meeting of shareholders ("General Meeting of Shareholders") and extraordinary meeting of shareholders ("Extraordinary Meeting of Shareholders").

The company shall hold and Annual General Meeting of Shareholders not less than once every year provided that it shall be held within 6 months following end of each fiscal year. An Extraordinary Meeting of Shareholders may be called at any time either by board of directors or upon request of shareholders holding at least 51% (fifty-one percent) of all shares having the right to vote in the meeting.

## 2- Information of General Shareholder Meeting

N.	Date	Type of Meeting	Quorums	Agendas	Resolution
1	7 April 2020	Circular resolution	100%	Review on the finance documents	Approve a bundle of finance documents of the company

### D. Dividend Distribution

#### 1- Dividend Policy

The following guidelines shall be applied to the declaration of dividends:

- a) the company's board of directors has the right to propose, recommend, and declare dividends in accordance with accounting principles and to determine the terms of payment of each class of shares entitled to receive dividends.
- b) dividends (if any) payable to the shareholders shall be approved by the majority votes of all directors present at the meeting pursuant to Article 44 of the memorandum and articles of association of the Company;
- c) dividends may be interim dividends or final dividends.
- d) any declaration to pay dividends shall identify the classes of shareholders and/or persons entitled to receive dividends, the amount of the dividend per share, the period of payment and the form and method of payment.
- e) the Board of Directors may determine an amount to keep in retained earnings or reserve funds pursuant to Article 69 of the memorandum and articles of association of the Company; and
- f) To the extent permissible by the applicable law, the Company may pay dividends by issuance shares, in money or property.

#### 2- Historical Information of Dividend Distribution for the last one year.

N.	Detail of Dividend Distribution	2019	
		1 <sup>st</sup> Dividend Declaration	2 <sup>nd</sup> Dividend Declaration
1	Announcement Date of Dividend Distribution	12 July 2019	29 November 2019
2	Dividend Payment Date	13 & 23 August 2020	19 March 2020

## **Part 2 - Board of Director**

### **A. Board of Director**

#### **1- Board Composition**

<b>N.</b>	<b>Name</b>	<b>Position</b>	<b>Appointing Date</b>	<b>Ending Date</b>
1	Mr. Kevin Robert Whitcraft	Chairman	26 September 2002	28 July 2022- Subject to renewal
2	Mr. Thomas Arthur Whitcraft	Non-Executive Director	26 September 2002	28 July 2022- Subject to renewal
3	Mr. Saing Ngorn	Executive Director, CEO	23 March 2016	28 July 2022- Subject to renewal
4	Mr. Ith Vichit	Independent Director	29 July 2019	28 July 2022- Subject to renewal
5	Mr. Christopher Gowen Manley	Non-Executive Director	29 July 2019	28 July 2022- Subject to renewal

#### **2- Directors' Biography**

<b>N.</b>	<b>Name &amp; Position</b>	<b>Experiences</b>
1	Mr. Kevin Whitcraft Chairman of the Board of Directors	Kevin Whitcraft became Regional Sales Manager for Rochester Midland Corporation in 1985 and has been involved in the industrial and equipment agency and distribution business throughout Asia ever since. A graduate of American University in Washington and Harvard Business School, Kevin established RM Asia (HK) Limited in 1985 and spent a short time with a leading general trading company in Thailand. This experience was instrumental in him returning to RM Asia and establishing a successful trading entity, which led to the first commercial shipping service between Thailand and Cambodia. RMAC soon followed and he built this into the largest vehicle and equipment distribution, sales and services business in that market. Further expansion followed in Laos, Myanmar and Afghanistan. Today, the Group has employees in 16 countries across the globe. Kevin is also an avid sailor and has represented Thailand in the national sailing team.
2	Mr. Thomas Arthur Whitcraft Non-Executive Director	Thomas Whitcraft holds multiple directorships at RMA Group and was one of the original founders of RM Asia (H.K.) Limited in 1985. He was born in Bangkok in 1962 and is a graduate of the International School of Bangkok (1980). He achieved a BA in Business Administration from Southampton College, University of Long Island N.Y. in 1985. Thomas is Co-Chair of AMCHAM Independence Day Picnic Organizing Committee (1997-present), Vice Commodore of the Royal Varuna Yacht Club (2013-present) and a Member of Rotary Club of Bangkok South. He held the position of Treasurer of the Indochina Media Memorial Fund (IMMF) from 2001-2003.
3	Mr. Ngorn Saing Executive Director	Ngorn Saing has been CEO of RMAC since December 2014 and is also currently on the Board of Directors of Comin Asia Pte.

		<p>Ltd. Saing joined RMAC as an intern in 1996 and progressed rapidly through the organization thereafter, holding senior positions in accounting and finance. Saing was appointed Deputy Country Manager and CFO of RMAC in 2007. He has helped grow the business and supported its diversification from a primarily Automotive and Power Generation business, into serving the needs of customers in a wide range of businesses in Cambodia. Saing is a graduate of the Royal University of Law and Economics in Phnom Penh, with a degree in Economics and an MBA in International Business from the Asian Institute of Technology, Thailand. He was also the first Cambodian national to attend the Harvard Business School General Management Program.</p>
4	Mr. Christopher Gowen Manley Non-Executive Director	<p>Chris Manley is Chief Operating Officer of RMA Group and a Director of RMAC. Chris joined RMA Group in 2009 as Head of Business Development. He went on to hold consecutive country manager positions in Laos and then Myanmar before returning to his current role in Bangkok. He helped build lasting OEM relationships and has a strong track record in delivering exceptional value to partners and customers. Prior to joining RMA Group, Chris, a qualified lawyer, was the managing director of DFDL Law Firm in Vientiane Laos. He held management positions in the United States at Johnson &amp; Johnson and Accenture. Chris is a graduate of the University of North Carolina and holds both an MBA and a Juris Doctor. He is a board member of the American Chamber of Commerce Myanmar, EFG Myanmar and Capital Automotive.</p>
5	Mr. Vichit Ith Independent Director	<p>Vichit Ith has held multiple senior leadership positions both in Cambodia and abroad and has extensive experience in financial and economic advisory roles. He has held leadership positions at various global and regional multinationals in Europe, the US, the Middle East, Africa and Southeast Asia. His experience spans industries from investment banking and commodities trading to manufacturing, food production and aviation. Vichit was instrumental in setting up the Cambodian Investment Board in 1994 where he had served as its first Secretary General. He was also the first CEO of the Economic Development Board of Madagascar and the Chairman of the Economic Strategy Task Force of the Presidency of Madagascar. Through his key involvement in the restructuring of the Rwanda Development Board, he contributed in Rwanda becoming the top global reformer in the World Bank “Ease of Doing Business” rankings from 2009 to 2010. In Cambodia, Vichit served for five years as the country advisor of Axiata Group and as independent director of its subsidiaries Hello and Smart. He set up Apsara Rice (Cambodia) Co Ltd and became its Executive Director. He is an independent director at Phillip Bank, a subsidiary of Phillip Capital, Singapore. He was the Southeast Asia senior advisor to Monitor Consulting, now merged with Deloitte Consulting and is</p>

		a shareholder of Moo Dairy Farm. Vichit holds a Master’s Degree from Harvard University with a double major in macroeconomic policies and capital markets. He had also attended a Senior Management program at Stanford Business School. He was conferred the “Global Leader for Tomorrow” Award by the World Economic Forum in Davos, Switzerland.
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### 3- If Any Director is Director, Shareholders or Co-owner of Other Companies in Cambodia

N.	Name	Company	Director, Shareholders or Co-Owner
1	Mr. Kevin Whitcraft	1. EFG (EXPRESS FOOD GROUP) CO., LTD	Chairman of Board of Directors
		2. A.V.R (ASIA VEHICLE RENTAL) CO., LTD	Chairman of Board of Directors
		3. DEVCO CAPITAL (CAMBODIA) CO., LTD	Chairman of Board of Directors
		4. EMCAT (CAMBODIA) CO., LTD	Director
		5. COMIN KHMERE CO., LTD	Chairman of Board of Directors
		6. PROPERTY CARE SERVICES (CAMBODIA) COMPANY LIMITED	Director
		7. AMR (CAMBODIA) LTD	Chairman of Board of Directors
		8. CAMBODIA INDOCHINA ASSETS CORPORATION PTE LTD. (C.I.A.L)	Director
		9. MUSEUM VIEW CO., LTD	Director
		10. FOOD AND BEVERAGE SOLUTIONS CO., LTD	Director
		11. BSP FINANCE (CAMBODIA) PLC.	Director
		12. JWD ASIA LOGISTICS (CAMBODIA) CO., LTD	Chairman of Board of Directors
2	Mr. Thomas Arthur Whitcraft	1. AUTO SALES (CAMBODIA) LIMITED	Chairman of Board of Directors
		2. A.V.R (ASIA VEHICLE RENTAL) CO., LTD	Director

3	Mr. Ngorn Saing	1. A.V.R (ASIA VEHICLE RENTAL) CO., LTD	Director
		2. COMIN KHMERE CO., LTD	Director
		3. PROPERTY CARE SERVICES (CAMBODIA) COMPANY LIMITED	Chairman of Board of Directors
		4. JWD ASIA LOGISTICS (CAMBODIA) CO., LTD	Director
4	Mr. Ith Vichit	1. FORTE INSURANCE	Independent Director

#### 4- Board Roles, Duties, and Responsibilities and Performance

Pursuant to Article 25 of the registered Memorandum and Articles of Association of RMAC (“**Articles**”), the directors shall have, but not limited to, the following powers.

- a. To issue shares to the extent authorized in these Articles;
- b. To propose to the shareholders, the amendments of these Articles;
- c. To propose to the shareholders an agreement of merger or acquisition or consolidation between RMAC and any other entities;
- d. To propose to the shareholders, the sale of all or major parts of RMAC’s assets;
- e. To propose to the shareholders a dissolution or liquidation of RMAC subject to applicable laws and regulations;
- f. To appoint, remove, suspend or take action on the management of RMAC subject to any prior approval from relevant supervisory authority where required, to direct and control them and to fix their remuneration;
- g. To appoint, remove, suspend, or take action on the officers and secretary of RMAC subject to any prior approval from relevant supervisory authority where required, to direct and control them and to fix their remuneration;
- h. To decide RMAC’s development strategy and annual business plan as proposed by the management and to organize the monitoring and evaluation of the business activities of RMAC;
- i. To decide on RMAC’s market development, marketing and technology strategy;
- j. To enter into negotiations and agreements and to give effect to any modification, variation or rescission of any negotiations or to approve the financial report of each agreement entered into;
- k. To give a guarantee on behalf of RMAC;
- l. To approve the financial report of each financial year and propose the distribution of dividends to the Shareholders for approval;
- m. To open, maintain, operate and close RMAC’s account(s) with any bank;
- n. To approve the establishment of representative office, subsidiary, branches, agencies and other affiliated companies to make such decisions for their management and to discontinue the same as they may think fit or determine;
- o. To appoint agents and attorneys for RMAC in Cambodia or in any foreign country with such powers (including the power to delegate) as they may think fit;
- p. To conduct any other actions that may be authorized under the applicable laws and regulations of



Cambodia.

## 5- Board Meetings

N.	Date	Type of Meetings	Name of Directors Attending the Meeting
1	27 April 2020	Physical meeting and conference call	Kevin Robert WHITCRAFT Thomas Arthur WHITCRAFT Ngorn Saing ITH Vichit Christopher Gowen Manley
2	12 Aug 2020	Physical meeting and conference call	Kevin Robert WHITCRAFT Thomas Arthur WHITCRAFT Ngorn Saing ITH Vichit Christopher Gowen Manley
3	12 Nov 2020	Physical meeting and conference call	Kevin Robert WHITCRAFT Thomas Arthur WHITCRAFT Ngorn Saing ITH Vichit Christopher Gowen Manley

## B. Board Committees

### 1. Board Committee Structure

#### 1.1. Audit and Risk Committee

N.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meeting
1	Vichit Ith	Chairman of the Committee	08 Oct 2019	3	3
2	Saing Ngorn	Member	08 Oct 2019	3	
3	Christopher Gowen Manley	Member	08 Oct 2019	3	

#### Roles and Responsibilities of Audit and Risk Committee

- a. To review the financial report, audit and risk report;
- b. To review the internal control, internal and external auditing;
- c. To review and oversee risk management processes, including risk identification and risk mitigation;
- d. To report and provide advice to the Board of Directors on the above matters;
- e. To enable RMAC to provide the Shareholders and the required institutions with a balanced and clear assessment of the position and prospects of financial of RMAC;
- f. To oversee Internal Audit and Senior Management to ensure that they provide a balanced and understandable assessment, position and prospects and monthly reports on financial position and the material operation of RMAC;
- g. To ensure Internal Audits are properly performed;
- h. To act with due care and skill and to take all reasonable steps necessary to ensure the accuracy of reporting of RMAC's financial operations; and
- i. To perform other actions as determined by the Board of Directors.

## Results of Audit and Risk Committee Performance

In 2020, the members of the committee had four meetings at the same date as the meeting of Board of the Directors. The following activities have been made by the Committee:

- Discussed and resolved interim financial quarterly reports.
- Reviewed implementation action plan of ESMS (“Environmental and Social Monitoring System policy
- Reviewed and discussed impact of Covid-19 in each quarter.

### 1.2. Nomination and Remuneration Committee

N.	Name	Position	Appointing Date	Number of Attending the Meeting	Total Number of Meeting
1	Vichit Ith	Chairman of the Committee	08 Oct 2019	3	3
2	Kevin Robert Whitcraft	Member	08 Oct 2019	3	
3	Thomas Arthur Whitcraft	Member	08 Oct 2019	3	

### Roles and Responsibilities of Nomination and Remuneration Committee

- To assess and set the requirements, qualifications and procedures for the nomination of directors and senior management.
- To evaluate the performance of directors and senior management and to report the same to the Board of Directors.
- To set, review and recommend the compensation and remuneration for the Board of Directors and senior management.
- To review and update the mechanism and evaluate the performance of the Board of Directors, directors and other committee at least one time a year.
- Other duties as determined by the Board of Directors.

### Results of Nomination and Remuneration Committee Performance

In 2020, the members of the committee had four meetings at the same date as the meeting of board of the directors. The following activities have been made by the Committee:

- Discussed and review the change of senior offices of the company (including chief financial officer, general manager in some division).
- Reviewed and discussed the change of company secretary.

## C. Remuneration or Compensation

### 1- Brief Policies of Remuneration or Compensation for Directors and Senior Officers

Remuneration and compensation matter for directors is determined by the Board of Directors, while the remuneration and compensation for the senior officers is determined by our group company’s human resource policy.

## 2- The Board and the Board of Directors: Remuneration and Compensation Receivers

N.	Remuneration and Compensation Receivers	Remuneration and Compensation Amount	Other Benefit
1	Directors	USD 73,853	
2	Senior Officers	USD 1,026,326	USD 85,872
3	Top 5 Employees receiving Remuneration and Compensation Receivers	USD 865,519	

### D. Annual Performance Evaluation of Board of Directors, Directors, Committees and CEO

N.	Description	Evaluation Processes	Marking Criteria
1	Board of Directors	The performance of the Board of Directors is monitored and evaluated by the shareholders	<ul style="list-style-type: none"> <li>the outcome of the business operation.</li> <li>Participation in Board meetings.</li> </ul>
2	Directors	The performance of the directors is evaluated by the Board of directors and the Shareholders	<ul style="list-style-type: none"> <li>competent and outcome of performance.</li> <li>Participation in Board and its Committees meetings.</li> </ul>
3	Committees	The performance of the Committees of the Board of Directors is evaluated by the shareholder and Board of Director	<ul style="list-style-type: none"> <li>Outcome of performance.</li> <li>Participation in Board and its Committees meetings</li> </ul>
4	CEO	The performance of the CEO is evaluated by the Board of Directors.	<ul style="list-style-type: none"> <li>Outcome of the business performance</li> <li>Pre-determined KPIs within our group human resource's policy;</li> </ul>

### E. Training for Directors and Senior Officers

Our CEO and senior officers have been trained by SECC on the corporate disclosure and good corporate governance. Some of our senior officers also joined a training on Board-committees organized by SECC and IFC.

## **Part 3 - Code of Business Conducts Practices**

### **A. Code of Business Conducts Practices for Director and Senior Officers Policies**

Our company's mission is to create sustained value for our customers, our employees and the communities and societies in which we operate by providing innovative product and service solutions within the context of sound business ethics.

Conducting business in a lawful and responsible manner and with integrity is a must for our company, especially the director and our senior officers. We can divide our Code of Business into three main interaction.

#### 1. the company and the law

Our company is committed to following all laws and regulations wherever it conducts business activities. We expect every director and employees to perform their responsibilities with uncompromising honesty, integrity and in accordance with those laws, regulations and the company's policies and procedures. Where local country laws contain requirements that differ from the provisions of the code of conduct and the following policies, those requirements prevail for employees working in those countries.

#### 2. The company and employees

All directors, and employees must at all times act in the best interests of the company. The company requires that employees disclose all potential conflicts of interest and promptly take action to eliminate any conflicts identified. A conflict of interest arises when an employee has a personal relationship, financial interest or other interest that could interfere with their judgement and duties, or when they use their position within the company for personal gain.

The company does not permit the improper use of its assets. Improper use occurs when an employee uses company property or information for personal gain or advantage, or for the benefit of others outside of the company, such as friends or family members. Improper use also occurs when company property, information or technology is used for more than limited or incidental personal use or used in violation of other company policies.

The company's confidential information is to be appropriately protected at all times and should only be used for its proper purpose. Confidential information is proprietary or commercially sensitive information about the company and any other information or data whose disclosure, loss or misuse would negatively impact the company, its future success or its competitive position. It includes trade secret information, and can also include other proprietary information that the company has collected, developed, or acquired. Confidential information also includes sensitive business-related information belonging to third parties, including the company's partners, clients, and employees.

#### 3. The company and third parties

Suppliers are valued partners in the success of the company. Suppliers are selected based on their total value which includes quality, service, technology and price. Terms and conditions are communicated early in the supplier selection process. Agreements to such terms and conditions, with any acceptable modifications, are reached before work begins.

The company's products and services are often purchased by government entities for use or resale to authorised military or government consumers. The company requires strict observance of the laws and regulations which govern the acquisition of goods and services by government entities, whether in the United States or in any other country. It is the company's policy that all statements and representation to government procurement officials are accurate and truthful, including costs and financial data.

Commercial bribery is illegal and subject to criminal penalties in many countries. Any personal payment or bribe to individuals employed by the company's customers or suppliers, or receipt of a bribe or personal payment by

the company's employees is strictly prohibited. Even in locations where such activity may not be, technically speaking, illegal, it is absolutely prohibited by the company's policy.

The company prohibits improper payments to government officials. Improper payments are direct or indirect payments, whether in cash or in other things of value (such as lavish entertainment), to a government official or political party in order to influence acts or decisions, to receive special treatment or personal gain, or to obtain or retain business.

With these three main interactions, our Code of Business Conducts consists of the following policy:

- Business Ethics and Corporate Culture Policy
- Anti-Bribery and Anti-Corruption Policy
- Gifts, Hospitality and Travel with Third-Parties Policy
- Internal Travelling Policy
- Confidentiality and Careful Communication Policy
- Conflicts of Interest Policy
- Corporate Assets Policy
- Environment Policy
- International Operations Policy
- Government Contracting and the Relationship Policy
- Occupational Safety and Health Policy
- Plant Safety and Product Safety Policy
- Employment, Equal Opportunity and Respect Policy
- Whistleblower Policy
- Risk Management Policy
- Customer Relations and Product Quality Policy
- Supplier Selection and Third-Party Relationships Policy
- Anti-Money Laundering Policy

#### **B. Publishing of Code of Business Conducts Practices**

Our Code of Business Conducts is available for all employee within our local shared points. This Code of Business Conducts is also made available for our suppliers and sub-contractor.

#### **C. Mechanisms and Procedures to Assess Code of Business Conducts Practices**

Our company access the implementation of the Code of Business Conducts by two main method:

- (i) Training program: all new employees of RMAC are required to go through training that enable them to have a basic understanding of our Code of Business Conducts.
- (ii) Reporting to compliance: RMAC has put in place the mechanism that allow our staff to report any violation of the Code of Business Conducts.

#### **D. Related Parties Transactions**

##### **1- Related Parties Transactions Policies**

<b>N.</b>	<b>Related Parties</b>	<b>Policies</b>
1	Holding Company	N/A
2	Joint Venture	N/A
3	Subsidiary	N/A
4	Majority Shareholders and Controlling Shareholders	N/A

5	Directors and Their Family	Yes
6	Employees and Their Family	Yes
7	Other	N/A

**2- Important Transactions with Related Parties**

For the detail on related party transaction, please refer to Point 27 in our financial year 2020 audited report

## **Part 4 - Risk Management, Internal Control and Auditing**

### **A. Brief Risk Management System or Risk Management Policies**

The company is committed to maintaining an operational risk management framework that supports strategic and operational objectives, ensures compliance with regulatory requirements and embeds global industry best practice for operational risk management. The policy requires risk management to be performed in order to identify, measure, monitor and control strategic and operational risks and minimize the chance of loss to the company.

The Board of Directors is responsible for:

- Establishing the level of risk which is acceptable or tolerable for each risk type;
- Understanding the key risks faced by the company;
- Ensuring that an adequate system of internal control is established and maintained;
- Approval of the risk management framework and related policies and procedures;
- Ensuring that the framework allows management to identify, monitor and control all risks;
- Ensuring that management implement the framework;
- Reviewing periodic reports on risk matters and responding accordingly.

Senior Management is responsible for:

- Reporting to the Board on relevant risk matters;
- Reviewing the overall implementation of the framework;
- Reviewing information reported from the risk management framework and ensuring that appropriate action is being taken to control risks.

The Audit and Compliance Committee is responsible for:

- Providing assurance that the major business risks are managed appropriately;
- Providing assurance that risks are correctly evaluated;
- Providing assurance that the risk management framework is operating effectively;
- Approving the annual internal audit plan and all major changes to the plan;
- Reviewing the effectiveness of the internal audit function;
- Overseeing the development and enforcement of the company's compliance activities.

### **B. Brief Internal Control System**

The Internal Audit function is provided by RMAC's Affiliate, RMA Group Co., Limited. The timeline and schedule for internal audit shall be approved by the Audit and Risk Committee.

### **C. Auditing**

#### **1- Internal Audit**

##### **1-1 Roles and Responsibilities of Internal Auditors**

- a) Produce all internal audit reports and provide these reports to the Audit and Risk Committee to review, evaluate and circulate to the Board of Directors;
- b) Circulate all significant findings which may affect RMAC's operation to the Audit and Risk Committee or independent director;
- c) Prepare a meeting with Audit and Risk Committee at least once a year without the presence of senior management;
- d) Perform other duties assigned by Audit and Risk Committee and the Board of Directors; and
- e) Other duties as determined by Audit and Risk Committee and the Board of Directors

##### **1-2 New Appointment and Removal/Resignation of head and/or Deputy of Internal Auditors**

In year 2020, there has not been any changes to the position of head of internal auditors.

#### **2- External Auditors**

N.	Name of Audit Firms	Agreement Date	Auditing Fees	Non-audit Fees
1	Baker Tilly (Cambodia Co., Ltd	08 April 2020		USD 18,000 (quarterly review)
2	Baker Tilly (Cambodia Co., Ltd	12 October 2020	USD 23,500 (annual audit)	



## Part 5 - Stakeholders

### A. Identify Policies and Activities Related to the Following:

N.	Contents	Policies	Actions
1	Customer Welfare	Customer Relations and Product Quality Policy	<p>RMAC is dedicated to providing the highest quality products and services to our customers. Customer satisfaction is the foundation of everything we do at the RAMC. RAMC's quality management activities focus on the experience of the customer as the highest priority for process design and improvement</p>
2	Suppliers and Subcontractors Selection	Supplier Selection and Third Party Relationships Policy	<p>It is RMAC's policy to ensure that the supplier, business partner or third party:</p> <ul style="list-style-type: none"> <li>• Avoid conflicts of interest;</li> <li>• Avoid bribes and improper payments;</li> <li>• Work appropriately with government;</li> <li>• Protect private and confidential information;</li> <li>• Ensure that all reporting is honest and accurate;</li> <li>• Know and manage risks to the environment;</li> <li>• Ensure that RAMC's policy is not compromised by supplier or business partner activity.</li> </ul>
3	Management and Protection of Employees	Employment, Equal Opportunity and Respect Policy	<p>RMAC is committed to employment of a diverse workforce and to making all employment related decisions and actions based on merit and without regard to a person's race; religion; color sex (including pregnancy) ; nationality/ethnicity; citizenship status; age; genetic characteristics; sexual orientation; mental or physical disability or any characteristic that may be protected by law</p>
4	Environment Protection	Environment Policy	<p>RMAC complies with all relevant environmental laws, regulations, objectives and goals dedicated to the wellbeing of the environment. The RAMC constantly develop and improve internal systems for environmental sustainability. The RMAC encourage and participate in cooperative environmental programs with business partners and customers whenever possible.</p>
5	Anti-Corruption Program	Anti-Bribery and Anti-Corruption Policy	<p>This policy covers the requirements of the RAMC in establishing proactive anti-bribery</p>

and anti-corruption attitudes, behaviors and outcomes

**B. Describe the Corporate Social Responsibilities of Listed Companies**

<b>N.</b>	<b>Beneficiaries</b>	<b>Estimated Amount</b>	<b>Purposes of CSR</b>
1.	Industrial Technical Institute (ITI)	\$ 200,000.00	Inventing the training center and Donate 4 ford vehicles to support students in ford technical training program
2.	Cambodian Red Cross	\$ 20,000.00	To support Red Cross in Helping poor people who were effected by flood across country
3.	500 Families in Kompong Speu	\$ 15,000.00	To help poor families who effected by flood in Kompong Spue province
4.	500 Families in Pursat	\$ 15,000.00	To help poor families who effected by flood in Pursat province
5.	Students in Andong Commune Sala Krav District, Pailin Province.	\$ 25,000.00	Built community pre-school in Andong Commune for children living in the rural area that have no school to study.
6.	Government COVID-19 Fund	\$ 2,582.00	Management and staff donation to support government fight against the spread of COVID-19
7.	Poor Farmers in rural areas	\$ 10,290.00	“KAKSEKAR PHUM YEURNG (KSPY)” to help poor farmer families in rural areas by doing the land preparation (plowing or rotary tillage applications) for free of charge.
8.	Kep Province Hall	\$ 2,660.00	Donate dustbin for Kep governor to promote Clean city

## **Part6 - Disclosure and Transparency**

### **A. Identify the Following Information in the Annual Report:**

<b>N.</b>	<b>Information</b>	<b>Yes/No</b>
1	Visions/ Missions/ Objectives	Yes
2	Financial Indicator	Yes
3	Non-financial Indicator	Yes
4	Main Risk Factors	Yes
5	Dividend Policy	Yes
6	Biography of Directors	Yes
7	Training for Directors/Senior Officers	Yes
8	Number of Board Meeting	Yes
9	Attendance of Directors in Board Meetings	Yes
10	Remuneration or Compensation for Directors and Senior Officers	Yes

*\*Listed Entity Shall Declaim the Reason if there is any above information missing.*

### **B. Describe the Mechanism of Disclosure Including Means, Procedures and Responsible Person in Charge of Disclosure**

R M A (Cambodia) PLC has appointed the following person to oversee the disclosure:

1. Disclosure Officer: Mr. Ngorn Saing, Position: CEO
2. Assistant to Disclosure Officer: Mr. Meas Sovan, Position: Legal and Compliance Manager

### **C. Investor Relations**

#### **1- Demonstrate Mechanisms and Procedures for Investor Relations**

Our company publishes the necessary information on its activities and financial performance on CSX website and our official website: <https://www.cambodia.rmagroup.net/about-us/investor-relations/>.

#### **2- Briefly Describe Investor Relations for the Last Year**

RMAC has always been trying to maintain good relationship with our investor. We made all necessary information regarding our business on our official website. More importantly, we have communicated with our investors to response any inquiry that we can. For instance, with the request from our investors, we have voluntary disclose our financial report for year 2019 to the CSX so that that it is publicly available.