

1. Introduction and background

The primary function of the Board is to guide and monitor the Company on behalf of its shareholders.

2. Composition of the Board

2.1 Board Structure

The Board will be made up of a minimum of 2 directors. The maximum number of directors shall be 10 directors.

At least 2 directors or one third of the Board, whichever is the higher, shall be Independent Directors. If the number of Directors is not 3 or a multiple of 3, then the number nearest one third shall be used in determining the minimum number of Independent Directors.

2.2 Independence

An independent director is a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company. Without limiting the generality of the foregoing, an independent director is one who –

- (a) is not an executive director of the Company or any related corporation of the Company (each corporation is referred to as “**said Corporation**”);
- (b) has not been within the last 2 years and is not an officer (except as a non-executive director) of the said Corporation. For this purpose, “**officer**” has the meaning given in section 2 of the Companies Act 2016;
- (c) is not a major shareholder the said Corporation;
- (d) is not a family member of any executive director, officer or major shareholder of the said Corporation;
- (e) is not acting as a nominee or representative of any executive director or major shareholder of the said Corporation;
- (f) has not been engaged as an adviser by the said Corporation under such circumstances as prescribed by the Exchange or is not presently a partner, director (except as an independent director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the said Corporation under such circumstances as prescribed by Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”); or
- (g) has not engaged in any transaction with the said Corporation under such circumstances as prescribed by Bursa Malaysia or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the Company) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by Bursa Malaysia.

2.3 Remuneration

Each Executive Director is entitled to remuneration as the Board of Directors determine, in accordance with, and subject, to the Constitution of the Company. Fees for all Directors are recommended by the Nomination Committee and the Board of Directors and ultimately subject to the approval of shareholders.

2.4 Expertise

Members of the Board should have appropriate skills and experience. The following procedure will be followed when considering potential Board candidates:

- (a) the skills and experience appropriate for a candidate will be determined, having regard to those of the existing directors and any other likely changes to the Board;
- (b) upon identifying a potential candidate, the following will be considered:
 - qualifications and competencies of the candidate;
 - other directorships and time availability of the candidate;
 - independence, if an Independent Directors is being considered;
 - the effect that the appointment would have on the overall balance of the composition of the Board will be considered; and
- (c) the proposed appointee must be approved by all existing Board members.

2.5 Re-election of Directors

In accordance with the Constitution of the Company, at least one-third of the Directors are subject to retirement by rotation at each Annual General Meeting and all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. The Constitution of the Company also provides that all Directors appointed by the Board are subject to election by the shareholders at the next Annual General Meeting after their appointment.

3. Powers, duties and responsibilities of the Board

3.1 Powers

The directors are responsible for managing the business of the Company and may exercise all the powers of the Company which are not required, by the Companies Act, 2016, its Constitution or, while the Company is a Listed Company, the Listing Requirements of Bursa Malaysia, to be exercised by the Company in general meeting.

3.2 Responsibilities

In fulfilling its function, the Board assumes, among others, the following responsibilities:

- Providing leadership and strategic directions for the Group
- Overseeing the proper conduct of the business
- Ensuring prudent and effective controls and risk management system
- Reviewing the performance of management
- Overseeing the development and implementation of shareholder communication policy

3.3 Matters reserved for the Board

Matters reserved specifically for the Board's decision include:

- in conjunction with management, establishing a vision and strategies for the Group;
- approving the Group's annual business plan and budget;
- approving specific items of material capital expenditure and investments and disinvestments;
- appointing Directors to the Board;
- appointing and approving the terms and conditions of appointment of the Chief Executive Officer (CEO);
- approving any significant changes to accounting policies;
- approving the quarterly financial statements;
- approving the annual financial statements
- approving any interim dividends and recommending any final dividends to shareholders;
- approving all circulars, statements and corresponding documents sent to shareholders;
- approving the terms of reference and membership of Board Committees; and
- approving Company policies which may be developed from time to time.

3.4 Division of responsibilities

The Chairman is responsible for the conduct of Board meetings and ensures that Board discussions are conducted in a manner that all views are taken into account before a decision is made. The CEO and Executive Directors have the general responsibility for day-to-day running of the Group's business, implementation of Board policies and making of operational decisions duly assisted by the Management team. The role of the Independent Non-Executive Directors on the Board is to provide a balanced and independent view and judgement on corporate issues dealt with at the Board level to safeguard the interest of public shareholders.

3.5 Establishment of Committees

The directors may establish committees and delegate any of their powers to such committee or committees consisting of such number of persons as they think fit. A committee to which any powers have been so delegated must exercise the powers delegated in accordance with any directions of the directors.

The Board has delegated certain responsibilities to other Board Committees, which operate within approved Terms of Reference. These committees are the Audit Committee, Nomination Committee and Remuneration Committee.

3.6 Compliance with laws, regulations and internal codes of ethics

The directors must comply with all relevant requirements of laws, including those set out in the Companies Act, 2016, its Constitution or, while the Company is a Listed Company, the Listing Requirements of Bursa Malaysia. In addition, all directors must comply with the Code of Ethics developed and approved by the Board from time to time.

4. Proceedings

4.1 Meeting frequency

The directors may meet together for the despatch of business at such time and place, adjourn and otherwise regulate their meetings and proceedings as they think fit.

4.2 Quorum

A quorum for a meeting of the Board is 2 directors.

4.3 Board papers

Agenda and Board papers with information relevant to the issues of the meetings are circulated prior to Board Meetings to allow the Directors time to study and evaluate the matters to be discussed.

4.4 Attendance and proceeding of Board meetings

The Board may extend an invitation to any person to attend all or part of a Board meeting. Subject to the Constitution of the Company, questions arising at any meeting of the Directors shall be decided by a majority of votes. Only Board members shall be eligible to vote. In the case of an equality of votes the Chairman shall have a second or casting vote except where only 2 Directors form quorum or where only 2 Directors are competent to vote on the question at issue.

5. Review

The Board shall review this Charter on an annual basis to ensure it remains consistent with its objectives, the Constitution of the Company and existing regulatory requirements and recommendations.

This Board Charter has been updated and adopted by the Board on 19 April 2018.