

1.0 INTRODUCTION

The Board Charter sets out the composition, roles and responsibilities and processes of the Board.

The conduct of the Board is also governed by the Constitution of the Company. The Board Charter, which serves as a strategic guidance and effective oversight of management, is also intended to provide a concise overview of:

- i. The roles, responsibilities and accountability of the Board, Chairman, Managing Director, Executive Director, Independent Director and Company Secretary to the Company and its shareholders;
- ii. Delegation of authority by the Board to various Board Committees established in assisting the Board to execute its duties and responsibilities; and
- iii. Board's procedures and practices pertaining to meetings, appraisal, remuneration, training and development.

2.0 BOARD STRUCTURE

2.1 Composition

The number of directors shall not be less than 2 nor more than 9 as set out in the Company's Constitution.

2.2 Appointment

The Board is responsible to determine the appropriate size of the Board. The appointment of new director is a matter for consideration and decision by the Board. The NC will consider the required mix of skills, experience, other qualities and diversity, including gender, where appropriate, which the Director should bring to the Board.

3.0 ROLES AND RESPONSIBILITIES

3.1 Responsibilities of the Board

The Board is responsible for leading and managing the Company effectively. Each Director has a legal duty to act in the best interest of the Company. The Directors, collectively and individually, shall aware of their responsibilities to shareholders and stakeholders.

All Directors should objectively discharge their duties and responsibilities at alltimes in the interests of the Group and to keep abreast of his responsibilities as a Director and of the conduct, business activities and development of the Group.

In meeting the goals and objectives of the Group, the Board should, among others:

- promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;

- review, challenge and decide on Management's proposals for the Group, and monitor their implementation carried out by Management;
- ensure that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- supervise and assess Management performance to determine whether the Group's business is being properly managed;
- ensure that there is a sound framework for internal controls and risk management;
- understand the principal risks of the Group's business and recognise that business decisions involve the taking of appropriate risks;
- assess and set the risk appetite within which Management should operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;
- ensure that the Group has in place procedures to enable effective communication with stakeholders;
- ensure the integrity of the Group's financial and non-financial reporting; and
- review the terms of office and performance of the Board Committees annually (with members of the respective Board Committees abstain from deliberation)

3.2 Responsibilities of Chairman

The primary roles of the Chairman are:

- To provide leadership to the Board;
- To set the Board meeting's agenda and ensure that Board members receive complete and accurate information in a timely manner;
- To lead Board meetings and discussions;
- To encourage active participation of all Board Members and to allow dissenting views to be freely expressed;
- To liaise with the Managing Director and the Company Secretary on the agenda for Board meetings;
- To manage the interface between Board and Management;
- To ensure that appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board;

- To lead the Board in establishing and monitoring good corporate governance practices in the Group; and
- To chair general meetings of shareholders.

3.3 Responsibilities of Managing Directors/Executive Chairman

The Managing Director/Executive Chairman is responsible to amongst other things:

- Develop and recommend to the Board the long-term strategy and vision of the Company and the critical performance targets;
- Develop and recommend to the Board the annual business plans, budgets and risk management action plans that support the Company's long term strategy;
- Manage day-to-day business affairs and ensure continuous improvement and development, maintenance, implementation, formulation and achievement of corporate policies and strategies sanctioned by the Board;
- Ensure that the Company has an effective management team and structure, management development program and succession plan;
- Ensure effectiveness of internal control and risk management systems deployed in the Group; and
- Keep Board informed of all important aspects of the Group's operations and to ensure that sufficient information is distributed to Board members.

3.4 Responsibilities of Independent Director

Independent Director of the Board must fulfil the provisions and definition of independent director and must declare their independence to the Board annually.

When Board intends to retain its Independent Director beyond nine years, it would justify and seek shareholders' approval in the AGM. However, if the Board continues to retain its Independent Director after the twelfth year, the Board would seek shareholders' approval through a two-tier voting process in the AGM.

The primary responsibility of Independent Directors is to ensure effective check and balance in the Board by:

- bringing independent and objectivity judgement to the Board;
- mitigating risk of any possible conflict of interest and undue influence in the Board; and
- constructively challenging and contributing to the development of business strategy and direction of the Group.

3.5 Responsibilities of Board Committees

The Board may set up its Board Committees to assist the Board in discharging its duties. These Committees do not make decision on behalf of the Board but to review matters under its purview and make recommendation to the Board for its consideration and decision making.

The Board shall establish the following Committees and define their respective terms of reference:

- Audit and Risk Management Committee; and
- Remuneration Committee.

The role, function, performance and membership of each Committee will be reviewed on an annual basis as part of the Board's appraisal process. The Board may require members of Committees be rotated on and off their Committees taking into account the needs of the Committees, legislative requirements, skill sets and the experience of the individual Directors.

The respective Chairmen of the Board Committees shall provide meaningful response to questions addressed to them during general meetings.

4.0 MATTERS RESERVED FOR THE BOARD

In order to ensure that the direction and control of the Group is within the Board's hands firmly, the following list of matters shall be reserved to the Board for decision:

- Significant investment and divestment;
- Corporate exercise;
- Business strategy and sustainability issues;
- Performance review, remuneration, succession and appointment of directors and key senior executives;
- Shareholders' communication and matters; and
- Board policies and governance related matters.

These matters reserved shall be communicated to all Directors, Company Secretary, Internal Auditors, External Auditors and the Senior Executives. Management shall familiarize and observe the matters reserved to the Board and undertake to provide adequate, timely and quality information to the Board for making its decision on these matters.

5.0 COMPANY SECRETARY

In order to carry his function effectively, Company Secretary should possess the knowledge and experience covering the knowledge in company and securities law, finance, governance, company secretaryship and listing requirements and undertake continuous professional development.

The roles and responsibilities of the Company Secretary include, but not limited to the following:

- Manage all Board's and Board Committees' meeting logistics;
- Attend and record minutes of all Board's and Board Committees' meetings

and facilitate Board communications;

- Advise the Board and Board Committees on its roles and responsibilities;
- Facilitate the orientation of new directors and assist in director training and development;
- Advise the Board on corporate disclosures and compliance with securities regulations, listing requirements and companies act;
- Manage processes pertaining to annual shareholder meeting;
- Monitor corporate governance developments and assist the Board in applying governance practices to meet the compliance needs and stakeholders' expectations; and
- Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

6.0 BOARD PROCESSES

6.1 Scheduling of Board Meetings

The Board meets at least two (2) times per year based upon a schedule set on yearly basis.

Apart from the pre-scheduled Board meetings, the Board may for the purpose of urgent matters, convenes ad-hoc Board meetings at any time during the year.

6.2 Agenda Item for Board Meetings

The Secretary shall discuss with the Managing Director and Group Accountant on the agenda item. The final agenda for the meeting would be given to the Chairman for his approval and clearance.

All Board Members may request for inclusion of any matter in the agenda for a particular Board meeting. The request must be sent seven (7) days before the meeting.

6.3 Board Meeting Materials

All meeting materials / report / papers as well as the notice and agenda will be compiled and distributed to all the Directors within an appropriate timeline for perusal. In case where the subject matter / agenda item is price sensitive or otherwise confidential or in a state of flux, the materials / report / papers will be presented directly at the meeting.

6.4 Convening a Board Meeting

The quorum necessary for the transaction of business of the Directors shall be fixed by the Directors from time to time and unless so fixed, the quorum shall comprise two (2) Directors.

6.5 Access of Information and Resources

The Board shall:

- have complete, adequate and timely information prior to Board meeting's and on an ongoing basis;
- have the resources required to perform its duties;
- have full and unrestricted access to any information pertaining to the Group; and
- be able to obtain independent professional or other advice at the expenses of the Group.

Management is responsible for providing the Board with the required information in an appropriate and timely manner. If the information provided by management is insufficient, the Board may make further enquiries, to which the management staff responsible shall respond accordingly.