



BOARD CHARTER

PURPOSE

The Board of Directors of PRG Holdings Berhad (“PRG”) has adopted this Board Charter, detailing the functions and responsibilities of the Board and delegated authority to management.

The conduct of the Board is also governed by the Constitution of the Company, the provisions of the updated Malaysian Code on Corporate Governance, Companies Act 2016 (“Companies Act”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Listing Requirement”) and any other applicable laws or regulatory requirements.

1. INTRODUCTION TO THE BOARD CHARTER

1.1. General

This Board Charter sets out the principles governing the Board of PRG.

1.2. Board Approval

The Board has approved this Board Charter and may approve updates and amendments to this Board Charter from time to time.

1.3. Definitions

Unless the contrary intention is expressed in this Board Charter, the following words when used in this Board Charter have the meaning set out below:

- Board means the Board of Directors of PRG from time to time;
- Company means PRG having its registered office at Lot 5, Level 10, Menara Great Eastern 2, No. 50 Jalan Ampang, 50450 Kuala Lumpur; and
- Group means the Company and its subsidiaries.

2. ROLE OF THE BOARD

- 2.1.** The Board is primarily responsible for guiding and monitoring the business and affairs of the Group including compliance with the Company’s corporate governance objectives.
- 2.2.** In giving effect to this Board Charter, each Director will at all times act honestly, fairly, diligently, and in all respects in accordance with the law applicable to the Company.
- 2.3.** Each Director will at all times act in the interests of shareholders of the Company and of the Company as a whole, and will have regard to the interests of employees and customers of the Group and the community and environment in which the Group operates.
- 2.4.** The Director shall at all time avoid conflicts of interest, and shall as soon as practicable after the relevant facts have come to his/her knowledge, declare the nature of his/her interest at a meeting of the Directors of the Company. Every Director shall give notice to the Company of



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such events and matters relating to him/her as may be necessary or expedient to enable the Company and its officers to comply to the requirements of the Companies Act.

- 2.5.** The Board will seek to support and maintain a culture within the Group that embraces and establishes the principles set out in this Board Charter.

3. DUTIES AND RESPONSIBILITIES OF THE BOARD

The Board is responsible to the shareholders for the management and performance of the Group, including the following matters reserved for the Board's decision:

3.1. Strategic and Financial Objectives of the Group

- (i) Reviewing and adopting strategic business plan and financial budget for the Group;
- (ii) Overseeing the conduct of the Group's businesses;
- (iii) Monitoring other material reporting and external communications and shareholder communication by the Company; and
- (iv) Approving and monitoring the Group's internal controls and reporting systems as well as risk management, evaluating and reporting on their effectiveness and identifying and rectifying significant deficiencies.

3.2. Terms of Appointment of Group Executive Vice Chairman/ Managing Director and/ or Executive Directors

Reviewing the terms of service contract of the Group Executive Vice Chairman/Managing Director and/or Executive Directors.

3.3. Company Secretary

Appointing qualified and competent Company Secretary who can support the Board in the effective discharge of its roles and responsibilities.

3.4. Compliance Management

- (i) Monitoring the Group's performance in relation to principles of corporate governance;
- (ii) Approving and monitoring the Group's internal controls and reporting systems, evaluating and reporting on their effectiveness and identifying and rectifying significant deficiencies;
- (iii) Identifying principal risks of the Group and ensuring the implementation of appropriate systems to mitigate and manage these risks.
- (iv) Approving and monitoring compliance with the Company's Code of Conduct and other applicable policies; and



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- (v) Monitoring and reviewing the Group's operations in relation to and compliance with legal and regulatory requirements.

3.5. Communication with shareholders

Providing disclosure to and communicating with the Company's shareholders and the community, at the appropriate times, the results of and developments in the business operations of the Group.

4. COMPOSITION AND STRUCTURE OF THE BOARD

- 4.1.** All the Directors of the Company shall be natural persons and until otherwise determined by general meeting, the number of Directors shall not be less than two (2) and more than ten (10).
- 4.2.** At least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are independent directors. If the number of Directors of the Company is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) must be used.
- 4.3.** There is clear segregation of responsibilities between the Chairman of the Board and the Group Executive Vice Chairman to ensure that there is a balance of power and authority in the Group.
- 4.4.** Directors, save for those as disclosed, are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the organisation or Group.

5. APPOINTMENT, RETIREMENT AND ELECTION

5.1. Election, Re-election, Appointment or Re-appointment of Directors

- 5.1.1.** The Board shall consider and decide on the appointment of new Director of the Company upon review and recommendation from the Nomination Committee, guided by the selection and assessment criteria as set out in the Directors' Fit and Proper Policy.
- 5.1.2.** At every annual general meeting, one-third (1/3) of the Directors or, if the number of Directors of the Company is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire by rotation from office and be eligible for re-election.
- 5.1.3.** The Directors to retire in each year shall be those who have been the longest in the office since their last election, but as between persons who became Directors on the same day those to retire shall be determined by lot (unless they otherwise agree among themselves).
- 5.1.4.** No person shall be appointed, re-appointed, elected or re-elected as a Director on the Board or continue to serve as a Director if the person is or becomes an active politician. A person is considered an "active politician" if he is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.



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6. ROLE OF CHAIRMAN

The Chairman is responsible to provide leadership and stewardship to the Board. The Chairman is responsible for:

- (i) providing leadership for the Board so that the Board can perform its responsibilities effectively;
- (ii) setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
- (iii) leading Board meetings and discussions, and ensuring the effectiveness and proper conduct of the Board;
- (iv) encouraging active participation and allowing dissenting views to be freely expressed;
- (v) managing the interface between the Board and management;
- (vi) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- (vii) leading the Board in establishing and monitoring good corporate governance practices in the Company;
- (viii) reviewing corporate strategies of the Group together with the Board; and
- (ix) committing his time and efforts as may be necessary to discharge effectively his role as Chairman.

7. ROLE OF GROUP EXECUTIVE VICE CHAIRMAN

The Group Executive Vice Chairman is responsible for the following:

- (i) formulation and oversight of group strategic direction and aligned towards achievement of the Group's vision and mission;
- (ii) business development for the Group;
- (iii) sourcing of funding from financial institution and strategic investors;
- (iv) jointly responsible with the Managing Director for investors relationship; and
- (v) overseeing overall management of the business operations and performance of the Group.



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8. ROLE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-Executive Directors are responsible for the following:

- (i) to play a key supporting role, contribute their skills, expertise and knowledge towards the formulation of the Group's strategic and corporate objectives, policies and decisions;
- (ii) to provide independent and objective views, advice and judgement to ensure that the interests of the Group, shareholders and stakeholders are well taken into account; and
- (iii) to bring independent and impartial judgement to Board deliberations and decision-making.

9. BOARD COMMITTEES AND DELEGATION

- 9.1.** The Board may establish Board Committees from time to time to assist the Board in the discharge of its duties and responsibilities.
- 9.2.** The Board has established the following Committees to assist the Board in the execution of its specific functions and duties:
 - (i) Audit and Risk Management Committee;
 - (ii) Remuneration Committee;
 - (iii) Nomination Committee; and
 - (iv) Long Term Incentive Plan Committee.
- 9.3.** The Board shall adopt the Terms of Reference of all Committees, setting out the roles, duties and responsibilities, composition and structure, administration and any other matters the Board determines relevant to such Committees.
- 9.4.** The Board shall undertake periodic evaluation of the performance of the Committees.

10. MEETINGS OF THE BOARD

- 10.1.** The Board will meet in accordance with the provisions of the Constitution of the Company or as determined by the Board, at least five times in a financial year and otherwise as often as the Board considers necessary.
- 10.2.** The quorum necessary for the transaction of the business of the Directors shall be two (2).
- 10.3.** All Directors will receive the board papers and related materials within a reasonable timeframe before each meeting.
- 10.4.** The Chairman of the meeting may request the attendance of any person at a meeting who is responsible for, or associated with, a matter included as an agenda item at a meeting.



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11. REPORTING AND RECORDS

- 11.1.** The Board ensures that the Minutes of the Board and Board Committee meetings accurately record the proceedings and decisions made during the respective meetings.
- 11.2.** The minutes of the Board and Board Committee meetings are circulated to all Directors and Committee Members and approved by the Chairman of the Board and Board Committees at each subsequent meeting.

12. COMPANY SECRETARY

- 12.1.** The Board ensures that it is supported by a suitably qualified and competent Company Secretary, who plays an important advisory role and fulfils the functions for which he/she has been appointed.
- 12.2.** The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to sound governance and compliance with laws, rules, procedures and regulations and advocates adoption of corporate governance best practices affecting the Group.
- 12.3.** The roles and responsibilities of the Company Secretary shall include, but are not limited to the following:
- (i) advising the Board on its roles and responsibilities;
 - (ii) advising the Directors on corporate disclosures and compliance with Company and securities regulations and listing requirements including:
 - disclosure of interests in securities;
 - disclosure of any conflict of interest in a transaction involving the Group;
 - prohibition of dealing in securities; and
 - restrictions on disclosure of price-sensitive information.
 - (iii) managing the logistics of all Board and Board Committees meetings;
 - (iv) managing processes pertaining to the annual general meetings/ extraordinary general meetings; and
 - (v) monitoring corporate governance development and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations.
- 12.4.** The Company Secretary must keep abreast of, and inform/update the Board of current governance practices. The Company Secretary should undertake continuous professional development.
- 12.5.** The Board members have unlimited access to the professional advice and services of the Company Secretary.



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13. ASSESSMENT AND EVALUATION OF BOARD PERFORMANCE

The Board shall, through the Nomination Committee, conduct performance evaluation and assessment of the effectiveness of the Board and Board Committees as well as individual members of the Board annually. All such assessments shall be properly documented.

14. DEALING IN SECURITIES

- 14.1.** The Company Secretary keeps the Board and Principal Officers of the Company informed on quarterly basis the closed period for dealings in the securities of the Company (“Closed Period”) and the procedures for dealing in the securities of the Company during and outside the Closed Period so as to ensure compliance with the Listing Requirement.
- 14.2.** Director must not deal in the securities of the Company as long as he/she is in possession of price-sensitive information relating to the Company. “Price-sensitive information” means information that on becoming generally available would or would tend to have a material effect on the price or value of securities” as referred to in Section 185 of the Capital Markets and Services Act 2007.

15. CONFLICT OF INTEREST AND TRANSACTION INVOLVING DIRECTORS

- 15.1.** Conflict may arise from the interest (direct or indirect) of a Director or major shareholder or person connected with such Director or major shareholder in a transaction proposed to be entered into or action/decision to be taken by the Company or its subsidiaries.
- 15.2.** Directors can be regarded as having a conflict of interest where the company he or she is associated with derives any benefit or advantage from him/her being a Director. Therefore, a Director is required at all times to declare such conflict of interest and transaction if so required by the Board, to abstain from any voting or deliberation of the matter in which the Director may have an interest.
- 15.3.** The Companies Act provides that a Director who is in any way, whether directly or indirectly, interested in a contract entered into or proposed to be entered into by the Company shall be counted only to make the quorum at the board meeting but shall not participate in any discussion while the contract or proposed contract is being considered at the board meeting and shall not vote on the contract or proposed contract.
- 15.4.** Where a contract or proposed contract is entered into in contravention of Section 221 of the Companies Act, the contract or proposed contract shall be voidable at the instance of the Company except if it is in favour of any person dealing with the Company for a valuable consideration and without any actual notice of the contravention. A Director who knowingly contravenes Section 221 of the Companies Act shall be guilty of an offence against the Companies Act.



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15.5. The Listing Requirement further provides that a Director with any interest, direct or indirect, must abstain from Board deliberation and voting on the relevant resolution in respect of the related party transaction.

16. CODE OF CONDUCT

The Code of Conduct of the Group applies to all Directors, officers and employees and sets forth the principles and standards by which the Group conduct its operations as well as to assist in the continued implementation of the Group's business principles.

17. WHISTLEBLOWING POLICY AND GUIDELINES

The Company has adopted a Whistleblowing Policy and Guidelines ("WBPG") in order to provide a platform for the stakeholders including employees and other individuals to report genuine concerns in relation to any violation or improper conduct or wrongdoing within the Group.

The Audit and Risk Management Committee ("ARMC") and Group Executive Vice Chairman of PRG shall have the overall responsibility for the implementation of the Whistleblowing Policy. The administration of the Policy and whistleblowing channel (prg@grccs.com.my) are carried out by the Chairman of ARMC via an independent party in conjunction with the Compliance Officer and Human Resource Department of PRG. The ARMC shall exercise the oversight function over the administration of the policy.

18. ANTI-BRIBERY AND CORRUPTION POLICY

PRG has adopted an Anti-Bribery and Corruption Policy in order to achieve and maintain the highest standard of integrity and work ethics in the conducts of its business and operations as well as complying with all applicable laws including the Malaysian Anti-Corruption Commission Act 2009 and the MACC (Amendment) Act 2018.

19. ACCESS TO THIS BOARD CHARTER

This Board Charter will be available for viewing by the public in general on the Company's website.

20. REVIEW OF CHARTER

20.1. The Board will regularly review the Board Charter and make any changes it determines necessary or desirable.

20.2. The Board Charter was reviewed on 28 March 2023.