

TELADAN SETIA GROUP BERHAD

[Registration No. 201901004975 (1314302-V)]
(Incorporated in Malaysia)

BOARD CHARTER

(Adopted on 23 December 2019)

1. GLOSSARY

In this Charter:

"Act" means the Companies Act 2016 and any amendments from time-to-time;

"AGM" means Annual General Meeting;

"Board" means the Board of Directors of the Company;

"Bursa Securities" means Bursa Malaysia Securities Berhad;

"Chairman" means the Chairman of the Board and is used in a gender-neutral sense;

"Charter" means the Board Charter of Teladan Setia;

"Company" or "Teladan Setia" means Teladan Setia Group Berhad or whatsoever name called for the company bearing registration number 201901004975 (1314302-V);

"Directors" means Directors of the Company as defined under the Act;

"ACELR" means the ACE Market Listing Requirements of Bursa Securities;

"Management" means the management personnel of the Company;

"Management Limitations" means the limitations on the actions of Management as set out in Paragraph 6.3;

"MCCG" means the Malaysian Code of Corporate Governance issued on 26 April 2017;

"Secretary" means the Company Secretary(ies) as provided under Subdivision 4 of Division 2 of the Act;

"Shareholders" means the shareholders of the Company; and

"Teladan Setia Group" or "Group" means the Company and its subsidiaries.

Unless there is something the subject or context inconsistent herewith, words incorporating the singular shall include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine gender and vice versa.

2. INTRODUCTION

The Board of Teladan Setia acknowledge Corporate Governance ("**CG**") as vitally important to the success of Teladan Setia's business and are unreservedly committed to maintaining a high standard of CG practices throughout the Group for long-term sustainable business growth and the protection and enhancement of Shareholders' value.

The Board is responsible for overseeing the Company's management and business affairs and collectively makes all major policy decisions of the Company. All Board members plays the role of stewardship and act in a professional manner, as well as uphold the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

3. OBJECTIVE

The Charter sets out the standard and principles governing the Board processes and outlines the roles, functions and responsibilities of the Board, Board Committees and Management in accordance with the authority conferred by the Constitution of the Company along with the provisions of the Act, ACELR and the principles set out in the MCCG where applicable.

The Charter is to ensure that all Board and Committees members and Management acting on behalf of the Company are aware of their duties and responsibilities and the various legislations and regulations affecting their conduct and that the principles and practices of good CG are applied in all their dealings in respect and on behalf of the Company.

The Charter acts as a source of reference and primary induction literature to provide insights to prospective Board members and Management. The Charter is not an "all inclusive" document and should be read as a broad expression of principles. It should be reviewed on a periodic basis and may be amended by the Board from time to time to ensure that the practices of the Board are consistent with the prevailing code of CG, laws and/or regulations and reflect the Board's commitment to best practice in CG.

4. COMPANY GOALS

Teladan Setia is committed to practising effective CG structure across the Group to ensure that the mission of the Company be achieved.

The Company's mission is:-

"To be a Reputable Developer by promptly delivering quality properties within well-planned developments and enhanced by beautifully-landscaped and inspiring surroundings."

5. GOVERNANCE

5.1 Authority of the Board

- 5.1.1 The Board derives its authority to act from the Constitution of the Company and other applicable laws and/or regulations governing a listed issuer in Malaysia.

5.2 Roles and responsibilities of the Board

- 5.2.1 The Board is to effectively promote the best interests of the Company with a view to add long-term value to the Company's shares, shareholders and stakeholders.

5.2.2 To enable the Board to discharge its responsibilities in the meeting Company goals, the Board should, among others –

- together with Management, promote good CG culture within the Group which reinforces ethical, prudent and professional behavior;
- review, challenge and decide on Management's proposals for the Company and monitor its implementation by Management;
- consider Management's recommendations on key issues including acquisitions, disposals and restructuring, investment and divestitures, funding and significant capital expenditure;
- monitor the progress of the Company's strategies, plans and policies, and to revise and alter its direction through Management in light of changing circumstances;
- oversee the conduct of the Company's business to evaluate whether the business is being properly managed;
- approve annual capital and operating budget which support the Group ability to meet its strategic objectives;
- approve and ratify capital expenditure exceeding a certain threshold to be determined by the Board from time-to-time;
- ensure the integrity of the Company's financial and non-financial reporting;
- ensure there is a sound framework for internal controls and risk management;
- identify and understand the principal risks of the Group's business and recognise that business decisions involve the taking of appropriate risks;
- set the risk appetite within which the Board expects Management to 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 the Board and Senior Management;
- evaluate the performance and succession planning of the Managing/Executive Director(s) from time to time;
- ensure that the Company has in place procedures to enable effective communication with stakeholders;

- review and approve the Directors' fees or other benefits payable to the Non-Executive Directors and remuneration package of the Managing/Executive Director(s) and Senior Management;
- evaluate the composition, processes and performance of the Board and Board Committees; and
- perform such other functions as prescribed under the applicable laws and/or regulations.

5.2.3 Having regard to its role, the Board will oversee the business and affairs of the Company including, in particular:-

- reviewing and adopting a strategic plan for the Company, including its goals and ensuring that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environment and social considerations underpinning sustainability;
- establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build the Business through innovation, initiative, technology, new products and the development of its business capital;
- identifying principal risks, set the risk appetite within which the Board expects the Management to operate and ensuring the implementation of appropriate systems to manage the significant financial and non-financial risks and ensuring there is a sound framework for internal controls and risk management;
- reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- ensuring that the Company's financial statements are true and fair and conform with any applicable laws and/or regulations; and
- ensuring that the Company adheres to high standards of ethics and corporate behavior.

5.2.4 In the normal course of events, day-to-day management of the Company will be in the hands of Management and under the stewardship of the Managing/Executive Director(s).

5.3 Board Meeting Procedures

- 5.3.1 The conduct of Directors will be consistent with their duties and responsibilities i.e., to act in the best interest of the Company. The Board will be disciplined in carrying out its role, with the emphasis on strategic issues and policy.
- 5.3.2 Board discussions will be open and constructive, recognising that genuinely held differences of opinion could bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus in the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal or regulatory requirements, the Board will decide the manner and timing of the publication of its decisions.
- 5.3.3 The Managing/Executive Director(s) will attend Board meetings to discharge his Board responsibilities. At Board meetings, the Board's responsibilities supersede all executive responsibilities.
- 5.3.4 The Board has the sole authority over its agenda and exercises this through the Chairman or Secretary of the Board. Any Director may, through the Chairman or the Secretary, request the addition of an item to the agenda.
- 5.3.5 The notice of a Directors' meeting should be given in writing at least seven (7) days prior to the meeting, shorter notice is allowed with the consent of all Directors.
- 5.3.6 As a matter of best practice and to allow ample time for Directors to consider the relevant information, Board papers and agenda items are encouraged to be circulated at least five (5) business days prior to the meeting. It is recommended that where there is a need to table a report, a brief listing of findings and/or recommendations is to be prepared.
- 5.3.7 The Board will normally hold meetings at least four (4) times in each financial year and will hold additional meetings as the situation requires. At each meeting the Board will consider –
- the quarterly financial statements for announcement to authorities;
 - relevant financial and operational report(s) from the Management;
 - public announcements;
 - specific proposals for capital expenditure and acquisitions, if any; and
 - major issues and opportunities for the Company, if any.

- 5.3.8 In addition, the Board will, at intervals of not more than one (1) year -
- discuss and deliberate matters of strategic importance pertaining to business and operating strategies; material acquisition(s) and disposal(s) of asset(s); new or changes to current business plans; related party transactions of a material nature;
 - approve the annual financial statements;
 - consider and, if appropriate, declare or recommend the payment of dividends;
 - review Board composition, structure and succession;
 - review the performance of Board committees;
 - undertake Board and individual Director evaluations;
 - review Directors' fees and remuneration or other benefits payable; and
 - review risk assessment policies and controls and compliance with legal and regulatory requirements.
- 5.3.9 Directors are entitled to have access to all relevant company information and to Management at all reasonable times.
- 5.3.10 In setting policies, the Board will not reach specific decisions unless it has considered the general principles upon which they are founded, and in reaching other specific decisions, the Board will consider the policies against which the decisions are made.
- 5.3.11 The Board shall record its deliberations and decisions, in terms of the issues discussed, including whether any Director abstained from voting or deliberating on a particular matter, and the conclusions thereof in discharging its duties and responsibilities.

5.4 Chairman of the Board

- 5.4.1 The Board will appoint a Chairman from amongst the Directors, who is responsible for instilling good CG practices, leadership and effectiveness of the Board. The Chairman may be an Independent or Non-Independent Director.
- 5.4.2 Key responsibilities of the Chairman include-
- providing leadership for the Board so that the Board can perform its responsibilities effectively;
 - setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
 - leading Board meetings and discussions;

- encouraging active participation and allowing dissenting views to be freely expressed;
- managing the interface between Board and Management;
- ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- leading the Board in establishing and monitoring good CG practices in the company; and
- performing other responsibilities assigned by the Board from time to time.

5.4.3 The Board communicates with Shareholders at the general meetings and through the distribution of its annual reports. The Chairman will chair these meetings and inform the Shareholders on the Company's affairs.

This role calls for skills and qualities that allow and encourage Shareholders to express their opinions. The Chairman should possess the capability to summarise and unify thoughts and ideas as well as to manage the meeting effectively.

5.4.4 The Chairman also leads in presenting the Company's cause, whether formally or informally, to the authorities, institutional or potential investors and those having an influence on the environment in which the Company operates.

5.5 Expectation of individual Director

- 5.5.1 Each individual Director must always act within any limitations imposed by the Board on its activities.
- 5.5.2 Directors will use their best endeavours to attend Board meetings where each Director shall commit the time to attend at least fifty percent (50%) of all Board Meetings and Board Committee Meetings where he is part of the Board Committees in any applicable financial year with appropriate leave of absence notified to the respective Chairman of the Board or Board Committees.
- 5.5.3 Each Director is expected to participate fully and constructively in Board discussions and other activities to bring the benefit of their particular knowledge, skills and abilities to the Board.
- 5.5.4 Each Director is expected to strictly observe confidentiality of the Company's information, and refrain from making improper use of information gained through his position as director for his own interest, or his employer's interest, if applicable.
- 5.5.5 Each Director shall commit to provide his relevant expertise advice in the best interest of the Company.

- 5.5.6 Each Director shall abide by the all fiduciary and statutory duties and responsibilities of a director as prescribed under Subdivision 3 of Division 2 of the Act and ACELR.

5.6 Board Committees

- 5.6.1 Board Committees will be formed only when it is necessary to facilitate efficient decision-making.
- 5.6.2 Board Committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise in separate Terms of Reference ("**TOR**").
- 5.6.3 Board Committees will only speak or act for the Board when so authorised.
- 5.6.4 The Board has established the following Board Committees, each with clearly defined TORs detailing also the Board Committees' authorities, roles and responsibilities in order to enhance business and corporate efficiency and effectiveness:-
- (a) Audit Committee;
 - (b) Nominating Committee;
 - (c) Remuneration Committee; and
 - (d) Risk Management Committee.

Other Board Committees may be formed by the Board as and when required.

5.7 Board Composition

- 5.7.1 The Board should consist of individuals with diverse background and equipped with professional and technical knowledge to effectively carry out its roles and responsibilities in setting the Company's strategy and ensuring its implementation.
- 5.7.2 The composition of the Board needs to demonstrate the range of skills, experiences, character, integrity, competence and time commitment that are necessary for applying informed and independent judgement on issues of strategy, performance, resource utilisation and standards of conduct, all of which are vital to the Company.
- 5.7.3 At least two (2) or one-third (1/3) of the Board members, whichever is higher, shall be Independent Directors.
- 5.7.4 The qualifications for Board membership are the ability to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of Shareholder value, the ability to see the wider picture, the ability to raise constructive queries, preferably with some experience in the industry sector, high ethical standards, sound practical sense, and commitment to furthering the interests of Shareholders' and the achievement of the Company goals.

- 5.7.5 Non-Executive Directors will be active in areas which will enable them to relate to the strategies of the Company and to make a meaningful contribution to the Board's deliberations.
 - 5.7.6 Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next AGM of the Company but shall be eligible for re-election.
 - 5.7.7 Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election.
 - 5.7.8 Only Managing/Executive Director(s) will be engaged on service contracts under permanent employment. Upon the expiry of his or her tenure of service or resignation of employment, the Board may also, with the recommendation of the Nominating Committee and if considered appropriate, appoint him as a Non-Executive Director.
 - 5.7.9 In the event a Managing/Executive Director's service contract with the Company is terminated before the expiry of his or her tenure for any reason whatsoever, the Director is expected to resign from the Board.
 - 5.7.10 The Independent Non-Executive Directors must ensure that they are independent of Management and free from any business relationship, which could materially interfere with their independent judgment. Their role is to provide independent view, advice and judgment to ensure a balanced and unbiased decision-making process as well as to safeguard the interest of public shareholders.
- The Independent Non-Executive Directors are expected to advise the Chairman or the Board immediately if they believe that they may no longer be independent.

5.8 Nomination and Appointment

- 5.8.1 The appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the Nominating Committee.
- 5.8.2 In making the recommendation to the Board, the Nominating Committee will consider the required mix of skills, experience, character, integrity, competence, time commitment and diversity, where appropriate, which the person nominated can bring to the Board.
- 5.8.3 New Board members shall be briefed on the terms of their appointment, their duties and obligations and on the operations of Teladan Setia Group. Copies of the following shall be provided to the newly appointed Board members:-
 - (a) Charter;
 - (b) Constitution;
 - (c) Board Committees' composition and TORs;
 - (d) Latest business plans, if any;
 - (e) Latest annual reports and financial statements;

- (f) Organisation charts; and
- (g) Any other documents deemed necessary by the Board.

- 5.8.4 The appointment of Board and Senior Management are based on objective criteria, merits and with due regard for diversity in skills, experience, age, cultural background and gender.
- 5.8.5 The Board should use a variety of approaches and sources to ensure that it is able to identify the most suitable candidates. This may include sourcing from a directors' registry and open advertisements or the use of independent search firms.

5.9 Tenure of Independent Director

- 5.9.1 The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Independent Director may continue to serve on Board as an Independent Director, provided the Board shall first justify and obtain Shareholders' approval for his or her retention, failing which, he or she may still serve on the Board, but as a Non-Independent Director.
- 5.9.2 In the event the Board wishes to continue to retain an Independent Director after the twelfth (12) year, the Board should seek annual shareholders' approval through a two-tier voting process as guided by the MCCG, as follows:-

Tier 1: Only the Large Shareholder(s) of the Company, votes

Tier 2: Shareholders other than Large Shareholder(s) votes

Large Shareholder(s) means a person who –

- (a) is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company;
- (b) is the largest shareholder of voting shares in the Company;
- (c) has the power to appoint or cause to be appointed a majority of directors of the Company; or
- (d) has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give such effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the simple majority of votes of Tier 1, and a simple majority of votes of Tier 2. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. The resolution is deemed defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

- 5.9.3 The Board will undertake a rigorous review to determine whether the 'independence' of the Director has been impaired to justify

retaining an Independent Director beyond the cumulative term limit of nine (9) years.

5.10 Shareholdings by Board Members in the Company

- 5.10.1 Board members may hold shares in the Company. In any dealings by a Board member, be it buying, selling or transfer to third party, Board members must strictly observe the disclosure requirements and/or provisions under the Act, ACELR and all other relevant legislative and regulatory requirements.
- 5.10.2 A list of the Directors' Dealings for the applicable financial period shall be tabled by the Secretary at every quarterly Board Meetings of the Company whereupon the Board members are obliged to verify/confirm their prevailing shareholdings and movement of shareholdings.

5.11 Directors' External Commitment and Conflict of Interest

- 5.11.1 A Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Group shall declare his interest in accordance with the provisions of the Act. The Director concerned shall not participate in deliberations and shall abstain himself from casting his votes in any matter arising therefrom.
- 5.11.2 Should there be an actual, potential or perceived conflict of interest between the Company or a related corporation and a Director, or an associate (as defined in ACELR) of a Director such as a spouse or other family members, or a related company, the Director involved shall make full disclosure and act honestly in the best interest of the Company.
- 5.11.3 An actual, potential or perceived conflict of interest shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in good faith and with due honesty.

5.12 Directors and Senior Management's Remuneration

- 5.12.1 The Board has in place policies and procedures to determine the remuneration package of Managing/Executive Director(s) and Senior Management of the Company.
- 5.12.2 The Directors' fee of the Non-Executive Directors will be determined based on the experience and the level of responsibilities undertaken by them. The determination of the Directors' fees or remuneration/other benefits payable of the Non-Executive Directors shall be matter of the Board as a whole with the Director concerned abstaining from deliberation and voting in respect of his or her individual remuneration.
- 5.12.3 The Directors should not be taking part in deciding their own fees or remuneration/other benefits payable.

- 5.12.4 Directors who are shareholders of the Company may abstain from voting at general meetings to approve their fees or remuneration/ other benefits payable.

5.13 Provision of Business or Professional Services by Independent Directors

- 5.13.1 Independent Directors shall not provide business or professional services of an ongoing nature to the Company.

- 5.13.2 Notwithstanding the provision of paragraph 5.13.1, the Company is at liberty to:

- engage the services of any Director having special expertise in the particular field for the purpose of a special assignment; or
- engage the services of a party related to a Director's organisation,

so long as the terms of engagement are competitive, clearly recorded and all legal requirements for disclosure of the engagement are properly observed.

5.14 Board Appointment in Other Companies

- 5.14.1 Directors are expected to devote sufficient time and attention to the affairs of the Company. Any Director is, while holding office, at liberty to accept other Board appointment(s) in other companies so long as the appointment is not in conflict with the Company's business and does not affect the discharge of his duty as a Director of the Company.

- 5.14.2 Prior the acceptance of new Board appointment(s) in other companies, the Directors should notify the Chairman of the Board. The said notification should include an indication of time that will be spent on the new appointment.

5.15 Directors' Training

- 5.15.1 The Board understands the importance of continuing education to ensure all Directors are equipped with the necessary skills and knowledge to better fulfil their responsibilities.

- 5.15.2 All Directors are expected and required to attend a minimum of one (1) training course each financial year, in order to continue to update their knowledge and enhance their skills so as to sustain active participation in Board deliberations.

5.16 The Secretary

- 5.16.1 The appointment and removal of the Secretary shall be a matter of the Board as a whole.

- 5.16.2 The Board is supported by at least one (1) suitably qualified and competent Secretary to provide sound governance advice, ensure

adherence to rules and procedures, and advocate adoption of corporate governance best practices.

- 5.16.3 The roles and responsibilities of the Secretary include, but are not limited to the following:-
- Manage all Board and committee meeting logistics through the Management, attend and record minutes of all Board and committee meetings and facilitate Board communications;
 - Advise the Board on its roles and responsibilities;
 - Advise the Board on corporate disclosures and compliance with company and securities regulations and listing requirements;
 - Manage processes pertaining to the AGM through the Management;
 - Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
 - Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.
- 5.16.4 All Directors, particularly the Chairman, have access to the advice and services of the Secretary for the purposes of the Board's affairs.

6. RELATIONSHIP OF THE BOARD WITH MANAGEMENT

6.1 Managing/Executive Director(s)

- 6.1.1 The Board will link the Company's governance and management functions through the Managing/Executive Director(s).
- 6.1.2 All Board authority conferred on Management is delegated through the Managing/Executive Director(s) so that the authority and accountability of the Management is considered to be the authority and accountability of the Managing/Executive Director(s) in so far as the Board is concerned.
- 6.1.3 Managing/Executive Director(s) is expected to keep the Board informed on all matters which may materially affect the Group and its business.
- 6.1.4 Only decisions of the Board acting as a body are binding on the Managing/Executive Director(s). Decisions or instructions of individual Directors, officers or committees are not binding except in instances where specific authorisation is given by the Board.

6.2 Accountability of Managing/Executive Director(s) to the Board

- 6.2.1 The Managing/Executive Director(s) is accountable to the Board for the achievement of the Company goals and the observance of the Management Limitations.

- 6.2.2 At the quarterly meetings, the Board should receive from or through the Managing/Executive Director(s) the operational and other reports and proposals, and such assurances as the Board deems necessary to confirm that the Management Limitations are being observed.

6.3 Management Limitations

- 6.3.1 The Managing/Executive Director(s) is expected to act within all specific authorities delegated to him or her by the Board.
- 6.3.2 The Managing/Executive Director(s) is expected not to cause or permit any practice, activity or decision that is contrary to generally accepted good business practice or professional ethics.
- 6.3.3 The Managing/Executive Director(s) is expected to take into consideration the Company goals in allocating the capital and resources of the Company.
- 6.3.4 The Managing/Executive Director(s) is expected not to cause or permit any action without taking into account the health, safety, environment and political consequences and their effect on long-term Shareholder value.
- 6.3.5 The Managing/Executive Director(s) is expected not to cause or permit any action that is likely to result in financial distress of the Company.
- 6.3.6 The Managing/Executive Director(s) is expected to ensure the assets of the Company are adequately maintained and protected, and not unnecessarily placed at risk. In particular, the Company must be operated with a comprehensive system of internal control, and assets of funds must not be received, processed or disbursed without controls that, as a minimum, are sufficient to meet standards acceptable to the Company's external auditors.
- 6.3.7 The Managing/Executive Director(s) is expected not to permit the employees and any other parties working for the Company to be subject to treatment or conditions that are undignified, inequitable, unfair or unsafe.
- 6.3.8 The Managing/Executive Director(s) is expected not to cause or permit payments to be made or rewards given unless they are in return for contributions towards the purposes of the business and are proportional to the extent that the contribution in question has furthered such purposes.

7. RELATIONSHIP OF THE BOARD WITH SHAREHOLDER

7.1 Communication

- 7.1.1 The Shareholders must be informed of all material business matters affecting the Company on a timely basis.

- 7.1.2 The Board should ensure timely release of financial results on a quarterly basis and of other major business developments to provide the Shareholders with an overview of the Company's performance and operations.
- 7.1.3 All relevant press releases should be vetted through by the Managing/Executive Director(s) and/or the Secretary to ensure that information that has yet to be released to Bursa Securities is not released to the press beforehand.
- 7.1.4 The Board should ensure that the views of the majority Shareholders are considered in its decision making. In addition, the minorities' interest should also be adequately protected.
- 7.1.5 The Board should ensure the Company leverages on information technology for effective dissemination of information and the Company's websites to provide easy access to corporate information pertaining to the Company and its activities and is continuously updated.
- 7.1.6 The Board adopt the following measures in relation to the effective communication with the Shareholders of the Company:-
- materials information, updates and periodic financial results are published
 - notice of AGM shall be given to the shareholders at least twenty-eight (28) days prior to the AGM.
 - all Directors shall commit to attend all general meetings of the Company in order to provide an opportunity for the Shareholders to effectively engage with each Director.
 - the Chairman of the Board and Board Committees shall provide meaningful response to questions addressed to them during the general meetings of the Company.
 - assign specific personnel in-charge of addressing enquiries from Shareholders, Investors and Public.

8. RELATIONSHIP WITH STAKEHOLDER

8.1 Stakeholders

In the course of pursuing Company goals, the Board recognises that no company can exist by maximising shareholders value alone. In this regard, the needs and interests of other stakeholders are also taken into consideration. The Board must balance and manage the economic impact of the stakeholders' conflicting interests on Shareholders' value.

8.2 Corporate Responsibility

As a socially-responsible corporate entity, each Director is committed to social and environment sustainability. This fundamental corporate

responsibility is advocated by the Board and intensively nurtured and practised by Management with firm commitment to three (3) major stakeholders:-

(a) **Employees**

The Board acknowledges that the employees are invaluable assets of the Company and play a vital role in achieving Company goals.

The Board is committed to ensure Management build a company where employees are happy to work, are confident and are proud to be part of the Company.

(b) **Customers**

The Board is committed to ensure Management place the highest regards in relation to the safety and quality of deliverables. Management is to continuously improve Teladan Setia Group's products and services in order to achieve the highest customer satisfaction.

(c) **Environment**

The Board is committed to ensure Management preserves and enhances the society's quality of life by improving Teladan Setia Group's activities in order to sustain the environment in all areas of Teladan Setia Group's operations.

9. APPLICATION OF CHARTER

9.1 The principles set out in the Charter are:-

- (a) Kept under review and updated as practices on the MCCG and further guidelines on the MCCG or ACELR are issued by the relevant regulatory authority; and
- (b) Applied in practice having regard to their spirit and general principles rather than to the letter alone.

9.2 The Board endeavours to comply at all times with the principles and practices as set out in the Charter.

9.3 The Board will review the Charter from time to time and make any necessary amendments to ensure they remain consistent with the Board's objectives, current law and practices.