



RALCO CORPORATION BERHAD

(Company No. 333101-V)

(Incorporated in Malaysia)

1.0 INTRODUCTION

The primary objective of the Company's Board Charter is to set out the roles and responsibilities of the Board of Directors ("Board").

The Board, whilst supportive of management, must: -

- approve and proactively participate in strategic decisions.
- challenge management with questions based on informed knowledge;
- oversee management's plans, decisions, and actions;
- monitor management's ethical conduct, financial reporting and regulatory compliance;
- play a critical role in ensuring sound and prudent policies and practices of the Company;
- be capable of effectively achieving good governance and protecting the interests of shareholders; and
- proactively support and have continuous oversight over risk management, internal controls and compliance matters involving the Company.

The Board will regularly review this charter and the terms of reference of Board Committees to ensure they remain consistent with the Board's objectives and responsibilities, and relevant laws, regulations, guidelines and standards of corporate governance.

2.0 BOARD SIZE AND COMPOSITION

- a. The Board should comprise individuals with character, experience, integrity, competence and time to effectively discharge their role as company director. The composition and size of the Board is such that it facilitates the making of informed and critical decisions.

- b. Pursuant to the Company's Constitution, the number of Directors shall not be less than two (2) and not more than twenty (20). The appointment of Directors shall be recommended by the Nomination Committee and approved by the Board.
- c. At least half of the Board Members should comprise Independent Directors, but in any event, at least two or one-third (1/3), whichever is higher, of the Board members are independent directors.
- d. In the event of any vacancy in the Board resulting in non-compliance with regulations on the Board Composition, the Board must ensure that such vacancy is filled within three (3) months.
- e. The Board may appoint a senior independent director to whom shareholders' concerns can be conveyed if there are reasons that contact through the normal channels of the Chairman or the Managing Director have failed to resolve them.
- f. The positions of Chairman of the Board and Managing Director should be held by different individuals, and the Chairman must be a Non-Executive member of the Board.

The Board recognizes the importance of ensuring a balance of power and authority between the Chairman and the Managing Director with a clear division of responsibility between the running of the Board and the Company's business respectively. The positions of Chairman and Managing Director are separated and clearly defined.

In the event that the positions of Chairman of the Board and Managing Director are held by the same person, the Company shall provide explanation and justification in the Annual Report of the Company.

- g. The Board shall endeavor to achieve 30% female directors by 2026. The Board through its Nomination Committee shall take steps to ensure that women candidates are sought as part of the recruitment exercise.

3.0 POSITION DESCRIPTION

3.1 INDIVIDUAL DIRECTOR

Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors. Broadly it should include: -

- Acting in good faith and in the best interests of the Company as a whole;
- Acting with care and diligence and for proper purpose;
- Avoiding conflicts of interest with the Company in a personal or professional capacity;

- Refraining from making improper use of information gained through the position of director and from taking improper advantage of the position of director;
- Keeping abreast of changes and trends in the business and in the Group's business environment and markets and changes and trends in the economic, political, social, legal and regulatory climate that could affect the business of the Group; and
- Devoting sufficient time to prepare for and attend Board and Board Committee meetings, attend Directors' continuous training programme and briefings.

Directors will keep all Board's information, discussions, deliberations and decisions that are not publicly known confidential and will not use information gained through the Board for their interest, or their employers' interest.

3.2 CHAIRMAN

The Chairman leads the Board and is responsible for the effective performance of the Board.

- a. The Chairman is responsible to:
 - i. provide leadership to the Board by helping the Board fulfil the goals it sets by assigning specific tasks to the members of the Board.
 - ii. act as facilitator at meetings of the Board to ensure that no Director, whether Executive or Non-Executive, dominate discussion, that appropriate discussion takes place and that relevant opinion among directors is forthcoming;
 - iii. lead the Board in establishing and monitoring good corporate governance practices in the Company.
 - iv. maintain a relationship of trust with and between the Executive and Non-Executive Directors.
 - v. ensure the provision of accurate, timely and clear information to Directors.
 - vi. ensure that all relevant issues are on agenda for Board Meetings and all directors are able to participate fully in the Board's activities;
 - vii. ensure that the Board debates strategic and critical issues; and
 - viii. ensure that the Board receives the necessary information on a timely basis from management.

- ix. ensure effective communication with shareholders and relevant stakeholders.
 - x. oversee and facilitate board, committee and individual Director evaluation, reviews and succession planning alongside the Chairman of Nomination Committee.
 - xi. facilitate the on-going development of all Directors.
 - xii. facilitate the effective contribution of Non-Executive Directors and ensure constructive relations be maintained between Executive and Non-Executive Directors.
- b. The Chairman ensures orderly conduct and proceedings of the Board and general meetings and is responsible for managing the business of the Board to ensure that: -
- i. all Directors are properly briefed on issues arising at Board meetings;
 - ii. all Directors receive complete and accurate information in a timely manner;
 - iii. sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for the Board discussion; and
 - iv. the issues discussed are forward looking and concentrates on strategy.
- c. Should the Chairman be absent from a meeting, the members of the Board present at the meeting, may choose one of their number to chair the said meeting.

3.3 MANAGING DIRECTOR/EXECUTIVE DIRECTOR(S)

The Managing Director is primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective running of the Group.

- a. The Managing Director should:
- i. be directly responsible for the day-to-day operations of the Company to ensure the smooth and effective running of the Group;
 - ii. be familiar with the Company's performance, the adequacy of internal controls, risk management and compliance with legal requirements as well as current matters and policies affecting the industry in general;

- iii. devote full attention and time to his duties and responsibilities and be able to direct and supervise the Company effectively and responsibly; and
 - iv. at all times exercise professional skill, due care and diligence when performing his functions, exercising his powers or discharging his duties.
- b. The key role of a Managing Director, amongst others, include:
 - i. developing and implementing the strategies for the Group and setting the overall strategic policy and direction of the Group's business operations based on effective risk management controls;
 - ii. ensuring that the financial management practice is performed at the highest level of integrity and transparency and that the business and affairs of the Group are carried out in an ethical manner and in compliance with the relevant laws and regulations;
 - iii. implementing the policies, strategies and decisions adopted by the Board. All Board authorities conferred on the Senior Management is delegated through the Managing Director and this will be considered as the Managing Director's authority and accountability as far as the Board is concerned-;
 - iv. providing strong leadership i.e. effectively communicating a vision, management philosophy and business strategy to the employees;
 - v. keeping the Board fully informed of all important aspects of the Company's operations and ensuring sufficient information is distributed to Board members; and
 - vi. ensuring day-to-day business affairs of the Company are effectively managed.

In the absence of its Managing Director, the executive director who is fully acquainted with the Company's affairs, is the person who will be directly responsible for the overall running of the Company.

3.4 INDEPENDENT DIRECTOR

- a. The Independent Directors must be independent of management and free of any business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement, and who otherwise meet the criteria for independence.

- b. The Independent Directors must give effect to the spirit, intention and purpose of the definition of an Independent Director which enumerated out in Paragraph 1.01 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("the Main Market Listing Requirements").
- c. The Independent Directors provide independent judgement, experience and objectivity without being subordinated to operational considerations to mitigate any possible conflict of interest between the policy-making process and the day-to-day management of the Company.
- d. The Independent Directors shall constructively challenge and contribute to the development of business strategy and direction of the Company to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.
- e. The Independent Directors should ensure effective checks and balances on the Board, and carry significant weight in the Board's decision-making process.
- f. The cooling off period for a person to be appointed as an independent director is 3 years to be consistent with practice note 13 issued by Bursa Malaysia Securities Berhad.
- g. Shareholders' approval will be sought, using the two-tier approach to retain Independent Directors with tenure of more than 9 years.
- h. A 12-year tenure limit is imposed for Independent Directors without further extension.

3.5 NON-EXECUTIVE DIRECTOR

- a. The Non-Executive Directors should review, approve, or disapprove Senior Management's corporate strategy proposal. In doing so, they shall bring an objectivity and breadth of judgement to the strategic planning process, as they are to independently judge the merits of Senior Management's proposal concerning strategic or business plans, they need to evaluate elements, which shall be taken into account in the process of creating the strategic plan for the Company. They are also responsible in monitoring Senior Management's success in implementing the strategy.
- b. The Non-Executive Directors should oversee the conduct of the Company's business and to evaluate whether the business is properly managed. In this respect, they must ensure that there are objectives in

place against which Senior Management's performance can be measured.

- c. The Non-Executive Directors should acquire and provide the necessary skill and experience to bring an independent judgement to bear on the issues of strategies, performance and resources including key appointments and standards of conduct.
- d. The Non-Executive Directors should keep abreast of issues relating to the Company between meetings.
- e. The Non-Executive Directors should meet regularly with the Board, with due notices of issues to be discussed and shall record its conclusions in discharging its duties and responsibilities.
- f. The Non-Executive Directors should be committed to a collective decision-making process.

3.6 SENIOR INDEPENDENT DIRECTOR

The Senior Independent Director should:

- a. Ensure that all Independent Directors have an opportunity to provide input on the agenda and advise the Chairman on the quality, quantity and timeliness of the information submitted by Senior Management that is necessary or appropriate for the Independent Directors to perform their duties effectively.
- b. Consult the Chairman regarding Board Meeting schedules to ensure the Independent Directors can perform their duties and with sufficient time for discussion of all agenda items.
- c. Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues.
- d. Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels of contact with the Chairman, the Managing Director and Executive Directors.

The Board may appoint a Senior Independent Director to whom shareholders' concerns can be conveyed. The Board shall appoint the Senior Independent Director as the Chairman of the Nomination Committee, unless a better candidate is available.

The selection of Senior Independent Director is based on his experience and the significant influence he has within the Board, ability to convey concerns of the Independent Directors on the Board to the other members of the Board and in the event of dissention between the Chairman and/or Executive Directors of the Company in the execution of their duties as Independent Directors.

4.0 BOARD APPOINTMENT

Nomination

The Company should ensure that the Directors and the Managing Director are of high calibre, sound judgment, high integrity and credibility as they are entrusted by the shareholders to manage and perform effectively.

All nominations of candidates for the positions of Directors and Managing Director must be submitted to the Nomination Committee for consideration. The Nomination Committee shall base on the “Fit and Proper” standards as detailed hereunder before recommending the candidates to the Board for approval:

Age limit

- In accordance with the Malaysian Companies Act 2016.

Work Experience

- Have been in senior management position.
- Good track record of managing a successful and profitable organization.

Qualifications

- Degree, Professional qualification or equivalent or with the requisite years of relevant work experience.

Personal Background

- A person of good character and high integrity and credibility.
- Not a bankrupt and has never been engaged in deceitful/oppressive/improper business practices.
- Has not been engaged/associated or had conducted himself in a manner which may cast doubt on his fitness, competence and soundness of judgment.
- Has not contravened any provision made by or under any written law to be designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice.
- Have not been convicted whether within or outside Malaysia of any offence.

Competencies

- Business acumen
- Product knowledge
- Visionary
- Strategic agility
- Proven leadership ability
- Financial knowledge
- Market and global awareness
- Compliance and legal awareness
- IT awareness
- Human Resource Management skills

Directorship

- Shall not hold not more than 5 directorships in listed companies.

Directors should notify the Chairman of the Board before accepting any new directorship, including an indication of time that will be spent on the new appointment.

All nominations of candidates for the positions of directors and Managing Director must be submitted to the Nomination Committee for consideration.

In identifying the candidates for appointment of Directors, the Board does not solely rely on the recommendations from the existing Board members, Senior Management or major shareholders and shall utilise independent sources to identify qualified candidates.

Re-election

- a) An election of Directors shall take place each year.
- b) All Directors are subject to retirement by rotation at least once in every three (3) years and is eligible for re-election
- c) New Board members will only hold office until the next annual general meeting, and will then be eligible for re-election.

1.3. Retention/ Re-designation of an independent director with cumulative term of more than nine (9) years

The tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board subject to the director's re-designation as a non-independent director. The Board, upon recommendation of the Nomination Committee, shall justify and seek annual shareholders' approval [by way of a two-tier voting process](#) in the event that it desires to retain a person who has served in that capacity for more than nine (9) years as an Independent Director.

Further, the long serving director is required to declare to the Company annually that [he/she](#) complies with the criteria as stated in item 3.4 above.

The Board assesses, at least annually, the independence of each Director and includes this information in the annual report.

1.4. A 12-year tenure limit is imposed for Independent Directors without further extension.

5.0 BOARD RESPONSIBILITIES

The Board should assume, amongst others, the following responsibilities:

- a. Reviewing the code of conduct of the Company and implementing appropriate internal systems to support, promote and ensure its compliance;
- b. Reviewing and adopting a sustainable strategic business development plan for the Company;
- c. Regularly evaluating economic, environmental, social and governance issues and any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders in ensuring that the Company's strategies promote sustainability;
- d. Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- e. Reviewing, ratifying and monitoring systems of risk management and internal control, ethical and legal compliance. This includes establishing sound risk management framework and reviewing procedures to identify the main risks associated with the Company's businesses and the implementation of appropriate systems to manage and mitigate these risks;
- f. Together with Senior Management, promoting good corporate governance culture within the Company which reinforces ethical, prudent and professional behavior;
- g. Ensure all the candidates appointed to Senior Management positions have sufficient caliber and the necessary skills, expertise and to evaluate the performance of the Senior Management from time to time under the guidance of the Nomination Committee.
- h. Reviewing the procedures for appointment of Chairman, Managing Director and Senior Management and ensuring that succession planning of the Chairman, Managing Director and Senior Management is in place;
- i. Establishing an internal audit function which reports directly to the Audit Committee;
- j. Promoting effective communication and proactive engagements within shareholders and other stakeholders;
- k. Ensuring there is a sound framework of reporting on internal controls and regulatory compliance;
- l. Ensuring its members have access to information, advice and appropriate continuing education programmes;
- m. Reviewing and approving formal and transparent remuneration policies and procedures to attract and retain directors and Senior Management;

- n. Ensuring there is appropriate corporate disclosure policies procedures;
- o. Encouraging the usage of information technology in communicating with stakeholders;
- p. Taking reasonable steps in encouraging the shareholders' participation and voting by poll at general meetings of the Company;
- q. Promoting effective communication and proactive engagements with shareholders;
- r. Undertaking an assessment of the independent directors annually; and
- s. Overseeing the Company's policies as a whole and the standards in the workplace while ensuring appropriate internal systems are in place to support, promote and ensure its compliance.

6.0 BOARD/MANAGEMENT AUTHORITIES

The Board shall have the authority to approve transactions or activities which are beyond the individual discretionary powers of senior officers or management committees delegated by the Board as per the Approving Authority limits stipulated in the relevant policy manuals of respective operating units subject to the provision of the Constitution of the Company and relevant rules and regulations.

The Board reserves full decision-making powers on the following matters:

- Conflict of interest issues relating to a substantial shareholder or Director.
- Material acquisitions and disposition of assets not in the ordinary course of business.
- Investments in capital projects.
- Authority levels.
- Treasury policies and bank mandate.
- Risk management policies.
- Key human resource issues.
- Performing Strategy review.
- Succession Planning.

7.0 BOARD COMMITTEES

- a. The Board should establish and delegate certain duties to specialized Board Committees to oversee critical or major functional areas and to address matters, which require detailed review or in-depth consideration before tabling its recommendation to the Board.
- b. The Board has established the following Board Committees which operate within their specific terms of reference:

i. Nomination Committee

To ensure structures oversight process in recruiting, retaining, training and developing to ensure the best composition of the Board.

To provide a formal and transparent procedures for the appointment of directors as well as annual assessment of effectiveness of individual directors, Board Committees and Board as a whole and key senior management officers.

To keep an eye on the need for succession in the boardroom, identify suitability of candidates against considerations such as competencies, commitment, contribution and performance, including the current composition of Board and Board committees, mix of skills and experiences of Directors whilst taking into account the current and future needs of the Company, Boardroom diversity (including gender diversity) and other soft attributes required as Company Directors for Board's consideration and approval

ii. Remuneration Committee

To provide a formal and transparent procedure for developing remuneration policy for directors and key senior management officers, and ensuring that compensation is competitive and consistent with the Company's culture, objectives and strategy.

iii. Audit Committee

To provide independent oversight of the Company's financial reporting and internal control system and ensure checks and balances within the Company, and to ensure financial statements comply with applicable financial reporting standards.

To review and assess the suitability and independence of external auditors.

The Audit Committee has a policy that requires a former key audit partner to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

iv. Risk Management Committee

To constantly identify, evaluate and monitor significant risks faced by the Group and is also responsible for the development of risk mitigation strategies and plans.

To ensure that the risk management and control framework is embedded into the culture, processes and structures of the Company.

To review the Management's response to the recommendation of the External and the Internal Auditors.

Duties and functions of the above-mentioned committees are provided in their respective terms of reference.

8.0 BOARD PROCEDURES

- a. The conduct of directors will be consistent with their duties and responsibilities to the Company and, indirectly, to the shareholders. The Board will always act within any limitations imposed by the provisions of relevant laws and guidelines on its activities;
- b. Directors will use their best endeavors to attend Board Meetings. Directors are expected to participate fully, and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board;
- c. Directors who are not able to attend a meeting will advise the Chairman at an earlier date as possible and confirm in writing to the Secretary;
- d. Board discussions will be open and constructive, recognizing that genuinely held differences of opinion could bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus of the Board but may, where considered necessary, call for a vote;
- e. 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 and regulatory requirements the Board will decide the manner and timing of the publication of its decisions;
- f. Directors are expected to strictly observe confidentiality of the Company's information; and
- g. Directors are required to inform the Board of conflicts or potential conflict of interest that may have in relation to particular items of business or transaction. Subject to provisions of relevant laws and guidelines, these Directors shall abstain from deliberation and determination of those matters.

9.0 AUTHORITY

The Board shall within its terms of reference:

- a. Have complete, adequate and timely information prior to Board Meetings and on an ongoing basis;
- b. Have the resources required to perform its duties;
- c. Have full and unrestricted access to any information pertaining to the Company;
- d. Have the authority to form management/sub-committee(s) if deemed necessary and fit;
- e. Have the authority to delegate any of its responsibilities to any person or committee(s) that is deemed fit;
- f. Have direct communication channels with employees, senior management personnel and relevant external parties; and
- g. Be able to obtain independent professional or other advice.

10.0 MEETINGS & MINUTES

Subject to relevant laws and guidelines, the following should be observed by the Board:

Board Meeting

- a. The Board shall meet on a quarterly basis, but in any event, no less than once in every three (3) months, or whenever deemed necessary;
- b. Individual Directors must attend at least 50% of the Board Meetings held in each financial year or such other percentage as may be prescribed by the Listing Requirements;
- c. The quorum of the meetings shall be met pursuant to the Constitution of the Company;
- d. The Board is also allowed to carry out the resolution by way of circulation;
- e. The participation of the director can be facilitated by means of video or telephone conferencing or any similar or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at such meeting;
- f. Head of the respective Division Units and relevant Management personnel may be invited to attend the Board Meetings;
- g. The Company Secretary or his/her nominee shall be appointed as Secretary of the Board Meeting and minutes of meetings shall be taken and documented; and

- h. Meeting of the Board shall be called by the Secretary of the Board at the request of Chairman of the Board based on a planned calendar dates. Notice of each meeting confirming the venue, time and date, together with an agenda of items and its supporting papers to be discussed, shall be forwarded to each member of the Board at least five (5) days prior to the meeting in order for them to discharge their duties.
- i. Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the Board either personally or by fax or e-mail, fax, or by post or by courier to his/her registered address as appearing in the Register of Directors or to the address provided by the Board, as the case may be.

Annual General Meeting (“AGM”)/Extraordinary General Meeting

- a. The Board regards the general meeting as an important event in the corporate calendar of which all Directors and key senior executives should attend.
- b. The Company regards the general meeting as the principal forum for dialogue with shareholders and aims to ensure that the general meeting provides an important opportunity for effective communication with, and constructive feedback from, the Company’s shareholders.
- c. The Chairman encourages active participation by the shareholders during the general meeting. To encourage poll voting during the general meeting, the Chairman shall inform shareholders of their right to demand for a poll at the commencement of the meeting.
- d. The Chairman and, where appropriate, the Managing Director/Executive Director responds to shareholders’ queries during the meeting. Where necessary, the Chairman will undertake to provide a written answer to any significant question that cannot be readily answered at the meeting.

11.0 REMUNERATION OF DIRECTORS

- a. The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved, but without paying more than is necessary to achieve this goal.

- b. The level of remuneration for the Executive Directors is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar industry.
- c. Non-Executive Directors are entitled to participate in the Company's Shares Issuance Scheme subject to approval at a General Meeting. Non-Executive Directors who participated in the Shares Issuance Scheme are prohibited to sell, transfer or assign the shares within one (1) year from the date of offer of such options.
- d. Managing Director/Executive Directors shall have a service contract with the Company.
- e. A formal independent review of the Directors' remuneration is undertaken no less frequently than once every three (3) years.
- f. Fees payable to Non-Executive Directors shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. Salaries payable to Executive Directors may not include a commission on or percentage of turnover.
- g. The fees of Directors, and any benefits payable to Directors shall be subject to annual shareholder approval at a general meeting.

12.0 BOARD DIVERSITY

The Board promotes and embraces diversity and gender mix in its composition and believes that the presence of diverse ethnicities, nationalities, age and gender mix on the Board can widen the Board's perspectives in effectively discharging its duties and responsibilities. While promoting diversity, due recognition to the financial, technical, experience and skill-sets of the Director's concern and business imperative shall remain a priority.

The Company adopts a policy of non-discrimination on the basis of race, age, religion and gender. Thus, the Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

13.0 DIRECTORS' COMMITMENT

Each of the Board members is expected to commit sufficient time to carry out their role as Directors and/or member of the Board committees in which they are a member. In this regard, the Board members are expected to advise the Chairman of the Board, vice versa, of his/her intention to join the Board of another company outside the Group and indicating the time that will be spent on the new appointment. If necessary, the Chairman will consult with the rest of the Board members whether the proposed new appointment is likely to impair the Director's ability to devote the necessary time and focus to their role as a Director of the Company.

The Board is also required to keep abreast of changes in regulatory, laws and accounting standards and development in corporate governance, broad business trends, strategy, financial instruments and technology advancement through reading of relevant industry and business publications and/or attending training programme and relevant conferences. Board who is well informed would be in a better position to evaluate proposals made by Senior Management and to ask the right questions; hence, be more effective as Directors.

The Board shall not hold more than five (5) directorships in public listed companies.

14.0 DIRECTORS' TRAINING AND DEVELOPMENT

- a. Upon appointment, Directors need to attend induction programme and meeting with senior executives to receive latest information about the Company.
- b. All Directors must attend and complete the Directors' Mandatory Accreditation Program pursuant to the Main Market Listing Requirements.
- c. All Directors must abide by the Continuing Education Program requirement pursuant to the Main Market Listing Requirements.
- d. The Board or the Nomination Committee shall evaluate and determine the training needs of the Board members on a continuous basis.
- e. The training and seminar programs to be attended by the Directors must be relevant and useful in contributing to the effective discharge of their duties as Directors and sustain active participation in the Board deliberations.
- f. All Directors may request training programs on specific subjects to be arranged.
- g. The Board shall disclose in the Annual Report the trainings attended by the Directors.

15.0 DIRECTORS' ASSESSMENT/ BOARD EVALUATION

- a. The Board recognizes the importance of assessing the effectiveness of individual Directors, the Board as a whole and its committees. The Board reviews and evaluates its own performance and the performance of its committees on an annual basis.
- b. The Board evaluation comprises a Board Assessment, an Individual Director Self-Assessment and an Assessment of Independence of Independent Directors.

- c. The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations and roles and responsibilities of the Board, the Board Committee and the Chairman.
- d. For Individual Director Self-Assessment, the assessment criteria include contribution to interaction, quality of input, understanding of role and Board participation.
- e. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Company and his involvement in any significant transaction with the Company.

16.0 ACCESS TO INFORMATION AND INDEPENDENT PROFESSIONAL ADVICE

The Directors shall have access to Management for relevant and additional information or seek explanations, as and when required. At the request of the Board, Management is obliged to supply in a timely manner, all relevant information to enable director to make sound business judgments and discharge their duties more effectively.

A director of the Company is entitled to seek independent professional advice at the Company's expense on any matter connected with the discharge of their responsibilities. Individual Directors may also obtain independent professional or other advice in furtherance of their duties, subject to approval by the Chairman or the Board, depending on the quantum of the fees involved.

17.0 FINANCIAL REPORTING

In preparing the annual financial statements and quarterly announcements to the shareholders, including price-sensitive public reports and reports submitted to the regulators, the Board aims to present a clear and balanced assessment of the Company's financial position and future prospects.

The Board ensures that the financial statements are prepared in accordance with the applicable act and applicable accounting reporting standards, so as to give a true and fair view of the state of affairs of the Group and the Company.

18.0 CONFLICT OF INTEREST

The Directors must:-

- disclose to the Board (through the Company Secretary and/or Chairman) any actual or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue;

- take any necessary and reasonable measures to try to resolve the conflict; and
- comply with the provisions in the Companies Act 2016 on disclosing interests and restrictions on voting.

If a conflict or potential conflict situation exists, it is required that the conflicted Director shall be absent from the meeting whilst the Board discusses the matter and not vote on the matter, unless the other directors who do not have a material personal interest in the matter have passed a resolution that states that those directors are satisfied that the interest shall not disqualify the director from being present.

The Directors are expected to advise the Company Secretary of any proposed Board or executive appointment to other companies as soon as practicable.

19.0 CODE OF CONDUCT & PRINCIPLES

The Directors are to maintain the highest degree of integrity and professionalism while at the same time promoting transparency and accountability in their actions.

The Company has in place a 'Code of Conduct & Principles' which is formulated to enhance the standard of corporate governance and behaviour through:

- (a) Establishing standards of ethical conduct for Directors based on acceptable beliefs and values;
- (b) Upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing Bursa; and
- (c) Documenting and emphasizing to the Directors, the integral obligation of each Director in performing his/her duty, to act in a manner that is lawful, honest, ethical and free from any conflict of interest or perceived conflict of interest.

20.0 WHISTLE BLOWING POLICY

The Company has in place a 'Whistle Blowing Policy' to manage improper conduct on the part of Directors, Management and staff, if any. The policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.

22.0 REVIEW

The Board will review this Charter from time to time and make any necessary amendments when there are changes to the Malaysian Code on Corporate Governance 2021 and the Main Market Listing Requirements that may have an effect on the Board's responsibilities.

Any updates to the principles and practices set out in this Charter will be made available on the Company's website.

These Board Charter was reviewed and approved by the Board of Directors on 21 February 2025.