



## RESERVOIR LINK ENERGY BHD

### BOARD CHARTER

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	PREPARED BY	VERIFIED BY	APPROVED BY
NAME	MOKHTAR HAJI ALI	BONG LEONG SUNG	BOARD OF DIRECTORS
DESIGNATION	GENERAL MANAGER –CORPORATE SERVICES	CHIEF FINANCIAL OFFICER	

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## 1. OBJECTIVE

The Board of Directors (“**Board**”) of Reservoir Link Energy Bhd (“**the Company**”) recognises good Corporate Governance is vital and important for the long term success of the Company and its subsidiaries (collectively “**Reservoir Link Group**”).

The Board plays a critical role in setting the appropriate tone at the top, providing through leadership and championing good governance in ethical practices throughout the Company and hence deliver sustainable value to its stakeholders.

The objectives of this Board Charter (“**Charter**”) are to ensure that all the Board members are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and the principles and practices of good corporate governance are applied in all their dealings in respect of and on behalf of the Company.

The Board understands its responsibility to exercise good governance and is guided by the principles and best practices as stated in the Malaysian Code on Corporate Governance (“**MCCG**”) 2021.

## 2. THE BOARD

### 2.1 Board Membership

#### (i) Composition

- (a) The Board consists of individuals from diverse professional backgrounds, skill sets and perspective. This composition and size shall constitute an effective Board to facilitate the making of informed and critical decision.
- (b) At least 2 directors or 1/3 of the Board of directors, whichever is the higher, should comprises of independent directors.
- (c) The Board’s gender diversity policy is to have at least one female Director. The Board will endeavour to meet the target of at least 30% women directors. Considerations will be based on merits and effective blend of skills, experience and knowledge in areas identified, the size of the Board and the needs of the Company.
- (d) The tenure of Independent Director shall be for a cumulative period of 9 years since appointment of Independent Director. Upon completion of the 9 years, and independent director may continue to serve on the board as a non-independent director.

#### (ii) Appointment and Re-election

- (a) The Board is responsible for determining its appropriate size.

The appointment of new Directors is considered and decided by the Board based on the recommendation of the Remuneration & Nomination Committee (“**RNC**”). The RNC shall consider the character, experience, integrity, competence and time to discharge

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their role effectively and are based on on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

- (b) All Directors shall be subject to retirement by rotation in accordance with the Bursa Malaysia Listing Requirements (“LR”) and the Company’s Constitution (“**Constitution**”).

(iii) Independence of Directors

- (a) The Company will continue to comply with the requirements for the independence of the Directors in accordance with the LR.
- (b) The Independent Directors are independent of management and are free from any business or other relationship that could materially interfere their exercise of independent judgement.
- (c) The RNC and the Board shall assess the independence of the Directors annually taking into consideration their disclosed interests and relevant criteria.
- (d) The Board may appoint from amongst its independent directors, a senior Independent Director, to whom concerns of other directors, public or investors may be conveyed.

(iv) Acceptance of New Directorships

Any Director, subject to the limitations on the number of directorships under the LR or applicable laws, may accept new directorships which are not in conflict with the interests of the Company’s business and do not detrimentally affect his performance as a Director. In accepting such appointment, the Director shall take into consideration the time spent on the appointment to enable him to devote sufficient time to carry out his duties to the Company.

Any Director when accepting such new appointments shall seek guidance from the Chairman of the Board if there is any potential conflict of interest and shall upon appointed, notify the Company Secretary who shall inform the Chairman and other members of the Board accordingly.

## 2.2 Duties and Responsibilities

- (i) The Board shall be mindful of the need to safeguard the interests of its shareholders and other stakeholders. In discharging its duties in the pursuit of the best interest of the Company, the Board assumes the following major duties and responsibilities:
  - (a) Ensuring that the strategic plan of the Company supports long term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
  - (b) Together with the senior management, provide good corporate governance culture within the Company which reinforce ethical, prudent and professional behaviour.

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- (c) Reviewing, overseeing and evaluating the conduct and performance of the Reservoir Link Group's businesses;
  - (d) Identifying the principal risks and ensuring the implementation of an appropriate risk management system;
  - (e) Reviewing the adequacy of the Group's internal control systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
  - (f) Ensuring that appropriate plans are in place in respect of the succession plan of the Group;
  - (g) Ensuring senior management has sufficient calibre and a succession plan is in place to ensure continuity of management;
  - (h) Ensuring that the Company has in place procedures to enable effective communication with stakeholders; and
  - (i) Devoting sufficient time and effort to stay abreast and keep informed on all matters of importance to the Reservoir Link Group.
- (ii) The following matters which may be varied from time to time as determined by the Board are reserved for the decision of the Board:
- (a) The overall corporate strategy and direction, business plans and annual budget including major capital commitments;
  - (b) Acquisition and disposal of assets of the Company or its subsidiaries that are material in nature;
  - (c) Investment or divestment in a company / business / property / undertaking;
  - (d) Key policies and the delegation of authority guidelines of the Company;
  - (e) Undertaking new business activities in non-traditional/non-core areas;
  - (f) Decision to cease to operate all or any material part of the Reservoir Link Group's business;
  - (g) Succession management of Group Managing Director/Chief Executive Officer and Key Senior Management; and
  - (h) Any amendments to the matters reserved for the Board.

### **2.3 Chairman, Executive Deputy Chairman, Group Chief Executive Officer / Managing Director ("GCEO/MD") and Independent Non- Executive Directors**

- (i) The Chairman shall be a Non-Executive Director.

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- (ii) The Chairman of the board should not be a member of the Audit Committee, Risk Management Committee or Remuneration & Nomination Committee.
- (iii) The roles of the Chairman, Executive Deputy Chairman and the GCEO/MD are separate to ensure that there is a balance of power and authority.
- (iv) The Chairman is responsible for instilling good governance practices and leadership of the Board. The Executive Deputy Chairman supports the Chairman of the Board and assists in high-level business development and customer relations whilst the GCEO/MD is the head of Management with overall responsibility for day-to-day management of the business and implementation of the Board's policies and decisions.
- (v) The Chairman assumes, amongst others, the following duties and responsibilities:
  - (a) Providing leadership for the board so that the board can perform its responsibilities effectively;
  - (b) Setting the board agenda and ensuring that board members receive complete and accurate information in a timely manner;
  - (c) Facilitating effective discussions and encouraging positive contributions of all Directors at Board meetings and promoting constructive relations between them;
  - (d) Managing the interface between the Board and Management; and
  - (e) Ensuring effective, transparent and regular communications with shareholders and other stakeholders.
- (vi) The Executive Deputy Chairman reports to the Board and assumes, amongst others, the following duties and responsibilities:
  - (a) The Deputy Executive Chairman supports the Chairman of the Group and also assists in high level business development and customer relations.
  - (b) Ensuring that there is effective communication by the Company with its shareholders, including by the CEOs, Chief Financial Officer and other senior management.
  - (c) Working with the Board and GCEO/MD to develop the business, corporate policies and strategies for the Company's future growth.
  - (d) Working with the GCEO/MD to identify opportunities for value-enhancing strategic initiatives including acquisitions, joint ventures, and strategically important relationships and communicating regularly regarding the pursuit of such strategic initiatives.
  - (e) Developing and maintaining the Company's relationships with future strategic partners whose capital, influence and knowledge could add significantly to the Company's value and its share price.
- (vii) The GCEO/MD reports to the Executive Deputy Chairman and the Board directly for the achievement of the Company's goals. Aside from his responsibilities in section 2.3 (iii) above, the GCEO/MD assumes, amongst others, the following duties and responsibilities:
  - (a) Developing the strategic direction, operational plan and budget of the Reservoir Link Group;
  - (b) Ensuring that the Reservoir Link Group's strategies and corporate policies are effectively implemented;

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- (c) Ensuring that the Board's decisions are implemented and the Board's directions are adhered to;
  - (d) Providing strong leadership i.e. effectively communicating the Company's vision, mission, shared values, management philosophy and business strategy to the employees;
  - (e) Maintaining a positive and ethical working environment that is conducive and hence able to retain and motivate a diverse work force;
  - (f) Reviewing the organizational structure and ensuring that all functions contribute to the success of the Reservoir Link Group;
  - (g) Assessing business opportunities which are of potential benefits to the Group; and
  - (h) Keeping the Board fully informed of all important aspects and relevant matters in relation to the Reservoir Link Group's operations in an accurate and timely manner.
- (viii) The responsibilities of the Independent Non-Executive Directors include the following:
- (a) Providing independent and objective views, advice and judgment to ensure that the interests of the Reservoir Link Group, shareholders and stakeholders are well taken into account;
  - (b) Bringing impartiality and scrutiny to Board deliberations and decision- making, and also serve to stimulate and challenge the Management in an objective manner; and
  - (c) Constructively challenging and contributing to the development of the business strategies and direction of the Reservoir Link Group.

## 2.4 Board Committees

- (i) The Board may from time to time establish committees as it considers efficient and necessary.
- (ii) The Board appoints the following Board Committees with specific terms of reference:
  - (a) Audit Committee ("**AC**");
  - (b) Remuneration and Nomination Committee ("**RNC**"); and
  - (c) Risk Management Committee ("**RMC**").
- (iii) Independent and Non-executive Directors play a leading role in these Committees. The Management and third parties are co-opted to the Committees as and when required.

## 2.5 Management

- (i) All matters not specifically reserved to the Board and which are necessary for the day-to-day operations of the Reservoir Link Group are delegated to Management to operate within the Delegation of Authority Limit ("**DAL**") guidelines.
- (ii) The responsibilities of Management include the following:
  - (a) Formulating, recommending and implementing the approved strategies and policies of the Reservoir Link Group;
  - (b) Managing the Reservoir Link Group's resources, including but not limited to the Group's human, asset and financial resources to achieve the Reservoir Link Group's objectives;
  - (c) Developing, implementing and managing the Reservoir Link Group's risk management and internal control systems and compliance to operate within the risk appetite set by the Board;

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- (d) Keeping pace with industry and economic trends in the Reservoir Link Group's operating environment; and
- (e) Providing the Board with accurate, timely and clear information to enable the Board to perform its responsibilities.

## **2.6 Management Succession**

- (i) The Board shall be responsible for ensuring that there is effective succession planning of Senior Management in the Reservoir Link Group and reviewing the management succession plans.
- (ii) If it is anticipated that the GCEO/MD will leave the Company at a specified future date, the Board will ensure that the process of selecting a successor takes place in a manner that is likely to create a smooth transition.
- (iii) If there is an unanticipated departure of the GCEO/MD, the Board will oversee the:
  - (a) Selection of a temporary GCEO/MD to serve until a permanent is selected; and
  - (b) Selection of the new GCEO/MD.

## **2.7 Board Meeting**

- (i) The Board shall observe the relevant rules and regulations governing the conduct and procedures for holding a Board Meeting per the Constitution.
- (ii) The Board shall meet at least five (5) times in a financial year with additional meeting to be convened as and when necessary.
- (iii) The Company Secretary shall prepare the agenda with the Chairman and the GCEO/MD shall notify all Directors of the Board Meeting. The notice, agenda and Board papers shall be circulated to all Directors in advance and within a reasonable period of each Board meeting to ensure that the Directors are well informed and have the opportunity to seek additional information or further clarification as required.
- (iv) A Director may request for a Board meeting, stating the specific purpose and the Company Secretary shall on such request, inform the Chairman. The Chairman shall consider and determine whether to summon such a Board meeting.
- (v) Notice of a Board meeting is deemed to be duly given to a Director if it is given to him personally or by electronic communication or sent in writing to him at his last- known address or another address given by him to the Company for that purpose. A Director may waive the requirement that notice be given to him of a Board meeting, either prospectively or retrospectively provided that the waiver is made and signed by Director in writing. A Director absent or intending to be absent from Malaysia may request that notices of Board meeting during his absence be sent in hard copy form or by electronic communication to him at an address given by him to the Company for that purpose. If no request is made (and/or if no such non- Malaysian address is given) it is not necessary to give notice of a Board meeting to a Director who is absent from Malaysia.

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- (vi) Appropriate officers of the Company or professional advisers may be invited to attend the meetings where the Board considers their presence necessary.

## **2.8 Financial Reporting**

- (i) In presenting the annual financial statements and quarterly announcements to the shareholders including reports submitted to the regulators, the Board aims to present a clear and balanced assessment of the Reservoir Link Group's financial position and prospects.
- (ii) The Board ensures that the financial statements of the Reservoir Link Group are prepared in accordance with applicable accounting reporting standards and the provisions of the Companies Act 2016 so as to give a true and fair view of the state of affairs of the Reservoir Link Group.

## **2.9 Directors' Remuneration**

- (i) The Board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.
- (ii) The remuneration of Executive Directors is aligned to individual and corporate performance appropriate to their scale of responsibilities and performance. The RNC makes recommendations to the Board on all elements of their remuneration, terms of employment, reward structure and fringe benefits which are subject to the approval of the Board.
- (iii) The Board as a whole determines the remuneration of the Non-Executive Directors which is subject to the approval of the shareholders at the Annual General Meeting ("AGM"). Non-Executive Directors are paid a fee and meeting allowances for discharging their responsibilities and for the Board and Committee Meetings they attend based on the Company's established Directors' Remuneration Framework.

## **2.10 Access to Information and Independent Advice**

In carrying out its duties and responsibilities, the Board shall have the following powers:

- (i) Full and unrestricted access to any information, records, properties and personnel of the Reservoir Link Group;
- (ii) To obtain independent professional advice and expertise necessary for the performance of its duties; and
- (iii) All members shall have access to the advice and services of the Company Secretary.

## **2.11 Annual Board Evaluation**



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The Board, through the RNC, carries out evaluation on the effectiveness of the Board as a whole, each individual Director, the Board Committees and independence of Independent Directors on an annual basis. The findings of the evaluation are tabled at the RNC meeting for discussion and subsequently reported to the Board. Where the Board deems appropriate, the evaluation may be carried out by a suitably qualified external party.

## **2.12 Directors' Training and Continuing Education**

- (i) In addition to the mandatory training programs required by Bursa Securities, the Directors shall continue to update and enhance their knowledge and skills by attending appropriate training to enable them to discharge their duties effectively.
- (ii) The Board shall evaluate and determine the training needs of the Directors from time to time.

## **3. THE COMPANY SECRETARY**

- (i) The Company Secretary shall be someone who is suitably qualified, competent, possesses the knowledge and experience in carrying out the duties to which the post entails and shall report directly to the Board.
- (ii) All Directors particularly the Chairman shall have access to the advice and services of the Company Secretary for the purposes of the Board's affairs and the business.
- (iii) The roles and responsibilities of the Company Secretary include, but are not limited to the following:
  - (a) Manage all the Board and committee meeting logistics, attend and record minutes of all Board and committee meetings and facilitate Board communications;
  - (b) Advise the Board on its roles and responsibilities;
  - (c) Assist in director training and development;
  - (d) Advise the Board on corporate disclosures and compliance with the Company and securities regulations and LR;
  - (e) Manage processes pertaining to the annual shareholder meeting;
  - (f) Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
  - (g) Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

## **4. INVESTOR RELATIONS AND SHAREHOLDERS COMMUNICATION**

- (i) The Board acknowledges the need for effective investor relations and communication with shareholders and to provide them with relevant information through disclosures and announcements made to Bursa Securities, quarterly financial reports, the Annual Report and media releases. Such information is available on the Company's website.

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- (ii) The Board recognises the Company’s AGM as the principal forum for dialogue and interaction among shareholders, the Board and Management and for receiving constructive feedback from shareholders. The Chairman encourages active participation by the shareholders during the AGM through the question & answer session. A media briefing is normally held after the AGM.
- (iii) Pursuant to the LR, all resolutions as set out in the notice of the general meeting will be voted by poll at the general meeting of the Company.

## **5. CODE OF BUSINESS CONDUCT**

The Board has established a Code of Conduct (“COBC”) for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering. The COBC is published on the company’s website.

## **6. SUSTAINABILITY**

- (i) The Board together with management takes responsibility for the governance of sustainability in the company including setting the company’s sustainability strategies, priorities and targets. The Board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.
- (ii) The Board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.
- (iii) The Board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.
- (iv) Performance evaluations of the Board and senior management include review of the performance of the Board and senior management in addressing the company’s material sustainability risks and opportunities.

## **7. WHISTLE BLOWING POLICY**

The Board shall establishes, reviews and together with Management implements policies and procedures on whistleblowing.

## **8. REVIEW OF THE BOARD CHARTER**

This Charter shall be periodically reviewed as and when necessary by the Board. All proposed amendments shall be submitted to the Board for approval in accordance with the needs of the Company.

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The Charter is made available for reference in the Company's website at <https://reservoirlink.com>.

## **9. APPROVAL AND REVISION**

This Charter is approved by the Board on 7 February 2020 and amended on 23 March 2022 and 16 November 2023.