

ZHULIAN®

ZHULIAN CORPORATION BERHAD

Company No. 199701000031 (415527-P)

(Incorporated in Malaysia)

BOARD CHARTER

Contents	Page
1. Preamble	2
2. Interpretation	2
3. Objective of the Board	3
4. Role of the Board	3
5. Board Structure	4
6. Board Processes	9
7. Representation of the Company	11
8. Board Performance	12
9. Remuneration of the Directors	12
10. Corporate Disclosure Policy	12
11. Code of Conducts and Ethics	12
12. Anti-Fraud, Anti-Bribery and Corruption	12
13. Whistle Blower Policy	13
14. Enterprise Risk Management	13
15. Sustainability Policy	13
16. Diversity Policy	13
17. Remuneration Policy	13
18. Revisions to the Board Charter	13

1. Preamble

The enhancement of corporate governance standards is vital towards the achievement of the objectives of transparency, accountability and effective performance for Zhulian Corporation Berhad (“Zhulian” or “the Company”) and its subsidiaries (“the Group” or “Zhulian Group”). Accordingly, this Board Charter (“Charter”) is established with the aim of enshrining the concepts of good governance as guided by Malaysian Code on Corporate Governance (“MCCG”) and subscription to anti bribery and anti corruption practices as embodied in Section 17A(5) of the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The Charter serves as a reference point for Board activities and should not be construed as a blueprint for Board operations. It is aimed to provide guidance for the Board and Management vis a vis the role of the Board and its Committees, the requirements of the Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as the Board’s present practices.

Just as each organisation has its own corporate culture, the dynamics of each Board is unique. The dynamics shift as the composition of the Board changes, and the Directors of the Company should always be open to new opportunities and ready to confront new challenges brought about by change.

This Charter is to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its Committees, the requirements of Directors in carrying out their role and in discharging their duties towards the Company as well as the Board’s operating practices.

This Charter does not overrule or pre-empt the statutory requirements of Directors as enshrined in the Companies Act 2016, as amended from time to time and any re-enactment thereof, the Income Tax Act 1967 and other relevant statutes, including the conduct of the Board as stipulated in the Constitution of the Company (“Constitution”). To the extent of any conflict between the terms of this Charter and the Constitution that the Constitution prevails.

2. Interpretation

2.1 In this Charter:

“Board” means the Board of Directors of the Company.

“Bursa Securities” means Bursa Malaysia Securities Berhad.

“Business” means the business of Zhulian Group.

“Chairman” means the Chairman of the Board and is used in a gender-neutral sense.

“Company Secretary” means the Board Secretary(ies) or the person(s) normally exercising the functions of a Board Secretary.

“CEO” means the Chief Executive Officer of Zhulian Group.

“Executive Director” means a Director who is also a paid employee of the Company and is involved in the day-to-day management of the Company.

“Group Executive Director” means a Director who is a paid employee of the Group and is involved in the day-to-day management of Zhulian Group.

“Group Executive Director” means a Director who is a paid employee of the Group and is involved in the day-to-day management of Zhulian Group.

“Independent Director” is defined in accordance to Paragraph 1.01 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

“Listing Requirements” means the MMLR of Bursa Securities.

“Management” means the senior management personnel of the Company.

“Shareholders” means the shareholders of the Company.

3. Objectives of the Board

The Board is accountable to shareholders and is responsible for the stewardship of the Group’s Business and affairs on behalf of the shareholders. Significantly, the Board shall seek to ensure that the Business objectives of the Group is aligned with the expectations of shareholders with a view to enhancing long-term shareholders’ value whilst considering the interests of other stakeholders and maintaining high standards of transparency, accountability and integrity.

Additionally, often, the Board has to warrant that the operations of the Group are being effectively managed in a manner that is properly focused on those Business objectives, conforming to regulatory and ethical requirements as well as maintaining high standards of transparency, accountability and governance.

4. Role of the Board

- 4.1. The Board’s role is to provide leadership of the Group within a framework of prudent and effective controls which enables risk to be assessed and managed.
- 4.2. The Board has delegated certain responsibilities to the Board Committees which operate in accordance with the Charter approved by the Board and delegated the day- to- day management of the Business of Zhulian Group to the Management and CEO subject to an agreed authority limit.
- 4.3. The Board shall reserve a formal schedule of matters for its decision to ensure that the direction and control of the Group is firmly in its hands. This includes strategic guidance and planning, material acquisition and disposal of assets, capital expenditure, authority levels, treasury policies, risk management policies, appointment of auditors and review of the financial statements, financing and borrowing activities, ensuring regulatory compliance and reviewing the adequacy and integrity of internal controls.
- 4.4. The principal responsibilities of the Board including those adopted from MCCG are:
 - (a) reviewing and adopting a strategic plan for the Group to ensure sustainability of its Business and Group operations. In this regard, the Board takes proactive lead in the following:
 - together with the Management, take responsibility for the governance of sustainability including setting the Group’s sustainability strategies, priorities and targets;
 - ensure that the Company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders;
 - take appropriate action to keep abreast with and understand the sustainability issues relevant to the Group and its Business, including climate-related risks and opportunities; and
 - ensure performance appraisal and remuneration of the Board and Key Senior Management include an evaluation of their performance in addressing the Company’s material sustainability risks and opportunities.;

- (b) overseeing the conduct of the Group’s Business to evaluate whether the Business is being properly managed notwithstanding that some of the subsidiaries have separate board of directors;
 - (c) identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
 - (d) succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing Board members and Senior Management;
 - (e) developing and implementing an investor relations programme or shareholder communications procedure for the Group;
 - (f) reviewing the adequacy and the integrity of the Group’s risk management, internal control systems and management information systems, including systems / reporting framework for compliance with applicable laws, regulations, rules, directives and guidelines;
 - (g) determining the remuneration of Non-Executive Directors, based on recommendation by the Nomination and Remuneration Committee, with the individuals concerned abstaining from discussions of their own remuneration;
 - (h) ensuring that the Group’s financial statements are true and fair and conform with the laws; and
 - (i) ensuring that the Group adheres to high standards of ethics, integrity and corporate behaviour.
- 4.5. In overseeing the conduct of the Group’s business, the Board shall ensure that an appropriate financial planning, operating and reporting framework is established. Elements under this combined framework include the financial statements and divisional strategic / performance reviews reports.

5. Board Structure

5.1 Board Balance and Composition

5.1.1 The Board should be of a size and composition with the benefit of a variety of perspectives and skills that is conducive to effective decision making and effective discharge of its roles and responsibilities for the benefit of the Group and its Business.

It is also important for the Board to keep its size at a reasonable level (notwithstanding the fact that the Company’s Constitution allows a minimum of two (2) and a maximum of twelve (12) Directors). Boards that are too small or too large may significantly limit the level of individual participation, involvement and effectiveness. The Board shall from time to time examine its size with a view to determine the impact of its number upon its effectiveness.

5.1.2. The appointment of a new member to the Board (as well as for those who retire and offer themselves for re-appointment or re-election) is only made after with recommendation from the Nomination and Remuneration Committee and it is of importance to the Board to ensure high levels of professional skills and appropriate personal qualities (relevant skills, experience, expertise and time commitment) are pre-requisites for such nominee.

Without limiting the generality of the foregoing, the qualifications for Board membership are the ability to make informed Business decisions and recommendations, an entrepreneurial talent for contributing to the creation of Shareholders value, relevant experience, the ability to appreciate the wider picture, ability to ask probing operational related questions, high ethical standards, sound practical sense and total commitment to furthering the interests of shareholders and the achievement of the goals of the Group.

- 5.1.3. The Board recognises the significant representation by Directors who are capable and willing to make Business decisions and judgement in the best interest of the Group and free from influences which would give rise to conflict of interest with that duty and are also independent of management. The Board recognises the importance of independence and objectivity in its decision making process. At least two (2) Directors or one-third (1/3) of the Board (whichever is higher) should consist of Independent Directors.
- 5.1.4. The Board recognises the need for the composition to reflect a range of skill mix and expertise. High levels of professional skills and appropriate personal qualities are pre-requisite for directorships. Without limiting the generality of the foregoing, the qualifications for Board membership are the ability to make informed Business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, relevant experience, the ability to appreciate the wider picture, ability to ask probing operational related questions, high ethical standards, sound practical sense, and total commitment to furthering the interests of shareholders and the achievement of the Group's goals.
- 5.1.5. The Board recognises the need for an appropriate balance between Executive Directors who possess extensive direct experience and expertise in the core Business of the Group, and Non-Executive Directors who have outstanding track records and reputation attained at the highest levels of business and commerce generally, and who are able to bring to the Board a broad range of general commercial expertise and experience.
- 5.1.6. The Board also recognises the importance of having a clearly accepted division of power and responsibilities at the head of the Group to ensure a balance of power and authority. It is the policy of the Board to keep the roles of the Chairman and the CEO separate.
- 5.1.7. The Board is committed to providing fair and equal opportunities and nurturing diversity within the Group. Under this circumstance, the Nomination and Remuneration Committee shall ensure that the Board consists of at least 1 woman Director on Board. For the assessment and recommendation of candidates for appointment as Directors, the Committee shall be guided by the Terms of Reference of the Nomination and Remuneration Committee and the Directors' Fit & Proper Policy.
- 5.1.8. No former partner of the external audit firm shall be appointed as a member of the Audit Committee before observing a cooling-off period of at least three (3) years. This shall apply to all former partners of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc.).

5.2 Role of the Chairman

- 5.2.1 The role of Chairman and CEO are distinct and separate to ensure that there is a balance of power and authority. The positions of Chairman and CEO shall be held by different individuals.
- 5.2.2 The Chairman carries out a leadership role in the conduct of the Board and its relations with the Shareholders and other stakeholders. The Chairman is primarily responsible for:
- (a) leading the Board in the oversight of management;
 - (b) acting as representative of the Board;
 - (c) representing the Board to Shareholders and presiding at Board and general meetings of Shareholders;
 - (d) ensuring the adequacy and integrity of the governance process and issues;
 - (e) maintaining regular dialogue with the CEO over all operational matters and consulting with the remainder of the Board promptly over any matters that gives him/her cause for major concern to optimise the effectiveness of the Board and its Committees;

- (f) functioning as a facilitator at meetings of the Board to ensure that no member, whether Executive or Non-Executive, dominates discussion, that appropriate discussions takes place and that relevant opinions among members is forthcoming. The Chairman will ensure that proceedings of meetings comply with good conduct and practices and that discussions result in logical and understandable outcomes;
 - (g) ensuring that all Directors are enabled and encouraged to participate in its activities. This includes ensuring that all relevant issues are on the agenda and that all Directors receive timely, relevant information tailored to their needs and that they are properly briefed on issues arising at Board meetings;
 - (h) ensuring that Executive Directors look beyond their executive function and accept their full share of responsibilities of governance and provide regular updates on all issues pertinent to the welfare and future of the Group to the Board;
 - (i) guiding and mediating Board actions with respect to organisational priorities and governance concerns;
 - (j) undertaking the primary responsibility for organising information necessary for the Board to deal with items on the agenda and for providing this information to Directors on a timely basis; and
 - (k) performing other responsibilities assigned by the Board from time to time.
- 5.2.3. The Chairman may delegate specific duties to the Executive Directors, Board members and /or Committees as appropriate.

5.4 Role of the CEO

- 5.3.1. The position of CEO, in essence, is to ensure the effective implementation of the Group's Business Plan (including strategic plan) and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation.
- 5.3.2. The CEO, in association with the Chairman, is accountable to the Board for the achievement of the Group's mission, goals and objectives and the CEO is accountable to the Board for the observance of management limitations.
- 5.3.3. The CEO shall be the chief spokesperson for the Group, or in his absence, he may designate authorised spokesperson for the oversight and coordination of the disclosure of material information to the markets.
- 5.3.4. The responsibility of CEO should be stated in an agreed job description and generally, the CEO is responsible to the Board for the following:
- (a) be the official spokesman for the Company and responsible for regulatory, governmental and business relationships;
 - (b) coordinates business plans with the business heads, coordinates management issues through the Board, and oversees divisional function groups and cost containment process in consultation with the Management team; and
 - (c) assists in the selection and evaluation of Board members through the Nominating and Remuneration Committees.
- 5.3.5. In discharging the above responsibilities, the CEO can delegate appropriate functions to the Executive Directors.

5.4 Role of the other Executive Directors who are not CEO

- 5.4.1. The role is to advise on programs or helping with the Company's strategic planning and to assist the CEO in the execution of daily operation and short-midterm planning of the Group;
- 5.4.2. To advise on the project or Company's deals and transactions and helps to make decisions, chooses the direction of the Company and keeps the Company on track for the future;
- 5.4.3. As an adviser to understand the capabilities of the Company in which includes developing program plans;
- 5.4.4. To provide advice to the management of the business based on their own experience and expertise;
- 5.4.5. Develop a motivational working climate whereby all employees are motivated to achieve their goals and objectives;
- 5.4.6. Ensure the efficient and effective administration of all departments and functions;
- 5.4.7. Assisting the CEO to implement and monitor the internal control systems within the Group; and
- 5.4.8. Assisting the CEO in any functions from time to time assigned including operational, business, compliance, Board matters etc.

5.5 Role of the Non-Executive Directors ("NED")

- 5.5.1 The roles of the NEDs primarily cover the monitoring of the Group performance and contributing to the development of Group strategies as outlined below:
 - (a) Strategy: provide constructive commentaries and contribute to the development of Group strategies; and
 - (b) Performance: oversee the performance of Management in meeting pre-set objectives and targets and monitor the reporting of performance.
- 5.5.2. NEDs could act as a link between Management, Shareholders and other stakeholders. They should provide the relevant checks and balances and ensuring that high standards of corporate governance are applied whilst taking into consideration the interests of the Shareholders and other stakeholders.

5.6 Tenure of Directors

- 5.6.1. Pursuant to the Company's Constitution, all Directors must retire once at least every three (3) years and shall be eligible for re-election.
- 5.6.2. The tenure of an Independent Non-Executive Director ("INED") shall not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, the INED may continue to serve on the Board as a Non-Independent Non-Executive Director.
- 5.6.3. If the Board intends to retain an INED beyond nine (9) years, the Board should provide justification and seek annual shareholders' approval through a two-tier voting process.
- 5.6.4. An INED must not serve in the Company and/or in any one or more of the Company's related corporation for a cumulative period of more than twelve (12) years from the date of his/her first appointment as an INED.
- 5.6.5. The tenure of the Executive Directors is tied to their executive office.

5.7 Company Secretary

- 5.7.1. The appointment and removal of the Company Secretary is a matter for the Board as a whole. The Board recognises the fact that the Company Secretary should be suitably qualified and capable of carrying out the duties required of the post.
- 5.7.2. The key role of the Company Secretary is to provide unhindered advice and services for the Board, as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.

5.7.3. Other primary responsibilities of the Company Secretary shall include:

- (a) preparing agendas and coordinating the preparation of the Board papers;
- (b) ensure that Board procedures and applicable rules are observed;
- (c) maintaining records of the Board and ensure effective management of organisation's records;
- (d) preparing comprehensive minutes to document Board proceedings and ensure conclusions are accurately recorded;
- (e) timely dissemination of information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements;
- (f) assisting the communications between the Board and Management; and
- (g) providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.

5.8 Board Committees

5.8.1. The Board reserves the right to establish Committees from time to time in the discharge of its duties and responsibilities. The existence of the Board Committees does not diminish the Board's responsibilities for the affairs of the Group where the delegation of power shall be subjected to the approved Terms of References and are in accordance with this Charter.

5.8.2. Where a Committee is formed, specific Terms of Reference of the Committee would be established to serve as a guidance note which covers matters such as the purpose, composition and functions of the Committee.

5.8.3. Members of the Committees are expected to participate actively at meetings and be knowledgeable about purpose, process and goal of the said Committees.

5.8.4. The Board has established three (3) permanent Board Committees namely, the Audit Committee, Risk Management and Sustainability Committee and Nomination and Remuneration Committee. The Board may establish ad-hoc committees on a need basis.

5.9 The Board's Relationship with Shareholders and Stakeholders

5.9.1. The Board shall maintain an effective communications procedure that enables both the Board and Management to communicate effectively with the Shareholders, stakeholders and the general public.

5.9.2. It is the responsibility of the Board to ensure that the Annual General Meeting ("AGM") and Extraordinary General Meeting ("EGM") of the Company are conducted in an efficient manner and serves as a crucial mechanism in Shareholders' communications. Key ingredients behind this include the supply of comprehensive and timely information to Shareholders and the encouragement of active participation at the general meetings. The Board will focus its efforts to abide by the following best practices to enhance the effectiveness of the general meetings:

- (a) ensure the notice of an AGM is given at least twenty-eight (28) days before the date of the AGM;
- (b) all Directors are to attend the general meetings;
- (c) ensure that each item of special business included in the notice to be accompanied by a full explanation of the effects of the proposed resolution;
- (d) for re-election of Directors, ensures that the notice of meeting state which Directors are standing for election or re-election with a brief description to include matters such as age, relevant experience, list of directorships, date of appointment to the Board, details of participation in Board Committee and the fact that a particular Director is independent or not;
- (e) ensure that all resolutions set out in the notice of any general meeting or notice of resolution be voted by poll with the appointment of at least one (1) independent scrutineer and to announce the detailed results of the votes cast for and against in each instance;

- (f) ensure that the Chairman provides reasonable time for discussion at the general meeting. Where appropriate and if required, the Chairman will also undertake to provide written answer to any significant question which cannot be answered immediately;
 - (g) conduct a business presentation with a question and answer session, where appropriate and if required; and
 - (h) ensure minutes of the General Meeting together with key matters discussed, where relevant, be incorporated and uploaded onto the Company's website no later than thirty (30) business days after the General Meeting.
- 5.9.3. The Chairman and the CEO shall take responsibility for addressing queries from Shareholders and stakeholders. In the performance of this responsibility, the CEO shall be mindful of the regulatory requirements pertaining to price sensitive information.

6. Board Processes

Board meetings shall be conducted in a business-like manner where all Directors are encouraged to share their views and partake in discussions. No one person should dominate the discussion. The Chairman, assisted by the Company Secretary, shall play a mediator's role to maintain the order of the proceedings in a constructive, productive and effective manner.

6.1 Frequency

- 6.1.1. The Board should meet regularly, at least on a quarterly basis. Special Board meetings should be held in addition to the quarterly meetings as and when required. Prior notice of meetings will be given to all who are required to attend the meetings.
- 6.1.2. Board members are required to attend the Board meetings and attendance of each individual Director in the meetings held in a financial year is required to be disclosed in the Annual Report. Other Senior Officers/ Management who can provide additional insight into matters under discussion or appear to persons with potential who should be given exposure to the Board may be invited to attend for particular item within their responsibility. The Board may also invite external parties such as the auditors, solicitors and consultants as and when the need arises.
- 6.1.3. Additional formal business is dealt with as required, whether by physical, video/tele conferencing meetings, as well other electronic meetings defined in the Constitution of the Company. All notices, resolutions, attendance, transactions, quorum and votes obtained through electronic means shall be deemed valid and effective unless it contravenes the requirements of relevant statutes and regulations.
- 6.1.4. All meetings of the Board will be conducted in accordance with the Constitutions of the Company and applicable laws.
- 6.1.5. The Chairman of the Board, or in his absence, a Director from amongst Board members present shall be appointed, to preside at all meetings.
- 6.1.6. The quorum for Board meetings is two (2) members present in person.
- 6.1.7. All Board decisions shall be made through consensus. In the event consensus could not be reached, it shall be decided by a majority of votes and in the event of equality of votes, the Chairman shall have a second or casting vote in accordance with the Company's Constitution.
- 6.1.8. Any issues which arise between meetings can be resolved through circular resolutions subsequent to the Board being apprised of the issues. These circular resolutions shall be valid and effective if approved by majority Directors in any written form – letter, email, facsimile or telegram. Any such resolution may consist of several documents in like form, each signed by one or more Directors or their alternates. Such discussion, including any concerns raised and the rationale for the decision shall be tabled at the following Board meeting for formal record keeping.

6.2 Agenda

- 6.2.1. The notice of a Board's meeting should be given in writing at least seven (7) days prior to all meetings except for cases of emergencies. Notices may be sent through any means of tele-communication in permanent written form as prescribed in the Company's Constitution.
- 6.2.2. A well-prepared Board agenda will enhance the Board's productivity and strengthen its strategic and supervisory role. The Chairman, in conjunction with the Executive Director and the Company Secretary, shall undertake the primary responsibility for preparing the Board's agenda. The agenda shall include, amongst others, matters specifically reserved for the Board's decision. Due consideration should be given to items for inclusion, sequence of items, estimated time required for each item as well as the necessary Board papers needed to be provided to the Board including items to be sent in advance. In the case of sensitive and confidential information, these Board papers may be circulated just prior to the Board meeting. The Board shall record its deliberation, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities.

6.3 Meeting Papers

- 6.3.1. As a matter of best practice and to allow ample time for Directors to consider the relevant information, Board papers and agenda items are to be circulated at least seven (7) days prior to the meeting or a shorter period when unavoidable. It is recommended that where there is a need to table a report, a brief listing of findings and/or recommendations is prepared.
- 6.3.2. The minutes of Board meetings shall be prepared following a Board meeting and shall be circulated in draft form. The draft minutes shall be re-circulated together with the Board papers at the following Board meeting in readiness for approval. The practice is for minutes to record processes and decisions rather than a historical narrative of the discussion. If one or more Directors request their opinion to be noted, the Company Secretary shall comply with the request.

6.4 Access to Information and Independent Professional Advice

- 6.4.1. All Directors (Executive and Non-Executive) have the same right of access to all information within the Group whether as a full Board or in their individual capacity, in furtherance of their duties and responsibilities as Directors of the Company.
- 6.4.2. The Company Secretary maintains the minutes of Board meetings, and these are accessible to all Directors.
- 6.4.3. All Directors should have access to the advice and services of the Company Secretary. The Board should recognise that the Chairman is entitled to the strong and positive support of the Company Secretary in ensuring the effective functioning of the Board.
- 6.4.4. The full Board or Directors in their individual capacity, in furtherance of their duties, shall be able to obtain an independent professional advice at the Company's expenses provided that such Director shall justify his action and obtain written approval from the Board.
- 6.4.5. Subject to prior approval of the Chairman, the cost of the advice will be reimbursed by the Company but the Director will ensure, so far as is practicable, that the cost is reasonable.

6.5 Induction Process

- 6.5.1. The objective of the induction process is to provide Directors with a rapid and clear insight into the Group as well as keeping them abreast with development in the marketplace pertaining to the oversight function of Directors. This will enable the Directors to discharge their duties and responsibilities effectively.
- 6.5.2. Induction of Directors may include, but not limited to, the following:
- (a) time with other Directors, in particular the Chairman, the Company Secretary and, if the Independent Director is a functional specialist, his or her counterpart;

- (b) furnishing of a copy of the previous board minutes for at least the past six (6) months; the Business/strategic plan, pertinent Management reports; and significant reports by Management consultants on areas of Board responsibilities;
- (c) visits to key sites (including overseas locations, if the Business is strongly international); and
- (d) a formal one (1) to two (2) days induction programme, including the elements above.

6.6 Directors' External Commitments and Conflict of Interest

- 6.6.1. The Constitution stipulate that a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare his interest in accordance with the provisions of the Companies Act 2016, as amended from time to time and any re-enactment thereof. The Director concerned shall not participate in deliberations and shall abstain himself/herself from casting his/her vote in any matter arising thereof unless otherwise provided for in the Constitution.
- 6.6.2. Should there be an actual, potential or perceived conflict of interest between the Company or a related corporation and a Director, or an associate 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.
- 6.6.3. 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.
- 6.6.4. The Company Secretary shall aid the annual independence and conflict of interest self declaration by the Directors.
- 6.6.5. The Company shall ensure that its Board members have the character, integrity, experience, competence and time to effectively discharge their roles.
- 6.6.6. The Board members shall ensure that they dedicate sufficient time to carry out their roles and responsibilities. Each Director shall provide such a commitment at the point of appointment. Each Director is also required to commit to attend at least 50% of the Board meetings held annually.
- 6.6.7. A Director shall hold not more than five (5) directorships in public companies listed on the Bursa Securities. Prior to accepting any new appointment, the Directors shall notify the Chairman in writing and this shall include an indication of time that will be spent on the new appointment.
- 6.6.8. The Company Secretary shall facilitate the Director's annual independence and conflict of interest declarations, which will allow the Directors to perform an annual self-declaration on independence by INED and conflict of interest for all Directors.

7. Representation of the Company

- 7.1 The Board looks to the CEO, working together with the Chairman, to speak on behalf of the Group and to manage the communication of information to investors, other stakeholders and the public in an orderly and effective manner while adhering, at all times, to relevant laws and regulatory requirements with reference to the Company's Corporate Disclosure Policy.
- 7.2 Non-Executive Directors to as far an extent as possible, should avoid commenting on the Company to external audiences. This is to avoid confusion and to ensure that the Board speaks in one voice.
- 7.3 The Group shall use information technology in its communication with Shareholders and other stakeholders. The usage shall include a dedicated section for Corporate Governance under the Investor Relations heading on the Group's corporate website. This dedicated section shall provide updated information such as quarterly financial statements, Board Charter and Annual Report, amongst others.

8. Board Performance

The Board acknowledges the importance of assessing the effectiveness of individual Directors, the Board as a whole and the Board Committees. On an annual basis, the Board, with the assistance of the Nomination and Remuneration Committee, shall evaluate its own performance and the extent to which the Board has met the requirements of the Board Charter, including the assessment on the Board as a whole, Board Committees and individual Directors. Reference shall be made to the Terms of Reference of the Nomination and Remuneration Committee and Directors' Fit & Proper Policy.

9. Remuneration of the Directors

9.1 The Board recognizes the importance of attracting, motivating and retaining highly qualified members of the Board in steering the Group towards realisation of its business objectives and strategic goals.

9.2 The Nomination and Remuneration Committee is tasked by the Board to evaluate and assess the remuneration of Directors on a yearly basis and make the appropriate recommendations to the Board for approval. In making the assessment, the Remuneration Committee shall be guided by the Remuneration Policy for Board and Key Senior Management established by the Board.

10. Corporate Disclosure Policy

10.1 The Board has in place Corporate Disclosure Policy to ensure comprehensiveness, accuracy and timeliness of information disclosed. These policies and procedures shall ensure compliance with the relevant disclosure requirements as enumerated in the Listing Requirements.

10.2 The Company shall consider the use of information technology in communicating with stakeholders, including a dedicated section for Investor Relations on the Company's website. This section shall provide information such as, amongst others, financial reports, the Board Charter and the Annual Report of the Company.

10.3 Employees who are not authorized spokesperson must not respond under any circumstances to inquiries from the investment community or the media, or from other parties if received outside the scope of employee's usual responsibilities, unless specifically asked to do so by an authorized Spokesperson.

11. Code of Conduct and Ethics

The Board has in place the Code of Conduct and Ethics which is formulated to enhance the standard of corporate governance and behaviour. It applies to all the Directors, Senior Management and employees of the Group.

12. Anti-Fraud, Anti-Bribery and Corruption

12.1 The Group adopts a zero-tolerance approach to all forms of bribery and corruption as well as takes a strong stance against such acts. The Group is committed to conducting business honestly, ethically and with integrity, as well as complying with all applicable laws and regulations. In line with this, the Board has established a Group-wide Anti-Fraud Policy and Anti-Bribery & Corruption Policy.

12.2 The policies set out the Group's position on fraud, bribery and corruption in all its forms and provides principles, guidelines, and requirements on how to deal with fraud, bribery and corrupt practices that may occur within the Group as well as in its interactions with its business associates. The policies apply to the Board, employees and business associates of the Group including external parties performing work or services for or on behalf of the Group.

13. Whistle Blower Policy

The Group is committed to the values of transparency, integrity, impartiality and accountability in the conduct of its business and affairs. The Board has established a Whistleblower Policy with the appropriate channels to facilitate feedback. This allows employees, people performing services for the Group (including contractors and service providers) and members of the public to disclose information pertaining to misconduct or improprieties in a timely as well as safe and secure manner. The confidentiality of the whistleblower is assured throughout the process.

14. Enterprise Risk Management

The Board acknowledges its responsibility for effective risk oversight. An Enterprise Risk Management (“ERM”) framework is in place to identify, assess, manage, and monitor key risks. The Risk Management and Sustainability Committee assists the Board in ensuring appropriate risk governance and reporting. The ERM framework shall be reviewed periodically to remain relevant and effective.

15. Sustainability Policy

The Board is committed to integrating Environmental, Social, and Governance (“ESG”) considerations into the Group’s strategy and operations to ensure long-term value creation. The Risk Management and Sustainability Committee oversees sustainability matters and reports to the Board. Progress is disclosed in accordance with applicable reporting requirements.

16. Diversity Policy

The Board is committed to promoting diversity in its composition and among Senior Management to enhance decision-making and governance. Diversity includes gender, ethnicity, age, skills, experience, and background. Appointments shall be made based on merit, with due regard to diversity objectives. The Nomination and Remuneration Committee shall monitor and report on the effectiveness of this policy.

17. Remuneration Policy

The Board adopts a remuneration framework designed to attract and retain qualified individuals while aligning rewards with the Company’s performance, strategy, and long-term value creation. Remuneration for Non-Executive Directors reflects their responsibilities, while Executive Directors and Senior Management remuneration package is performance-based. The Nomination and Remuneration Committee oversees its implementation and review.

18. Revisions to the Board Charter

The Board Charter shall be reviewed by the Board periodically to ensure its relevance in aiding the Board to discharge its duties and responsibilities vis-à-vis the changes in corporate laws and regulations that may arise from time to time.