



**BOARD CHARTER
PETRA ENERGY BERHAD
[REGISTRATION NO. 200501036241 (718388-H)]**

AS AT 24 NOVEMBER 2023

1.	<p>INTRODUCTION</p> <p>The Board of Directors (“Board”) of Petra Energy Berhad (“Petra Energy” or “Company”) regards Corporate Governance as vitally important to the success of Company’s business and are unreservedly committed to applying the principles necessary to ensure that the following principles of good governance is practised in all of its business dealings in respect of its shareholders and relevant stakeholders:</p> <ul style="list-style-type: none"> (i) The Board is the focal point of the Company’s Corporate Governance system. It is ultimately accountable and responsible for the performance and affairs of the Company. (ii) All Board members are expected to act in a professional manner, thereby upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities. (iii) All Board members are responsible to the Company for achieving a high level of good governance. (iv) This Board Charter shall constitute and form, an integral part of each Director’s duties and responsibilities.
2.	<p>PURPOSE OF THE BOARD CHARTER</p> <p>The objective of this Board Charter is to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good Corporate Governance are applied in all their dealings in respect, and on behalf of, the Company.</p> <p>The Charter sets out the requirements of the Board of Directors of the Company as at the date hereof.</p>
3.	<p>AUTHORITY</p> <p>The authority, duties and responsibilities of the Board are primarily governed by the Company’s Constitution which was approved by the shareholders at the Company’s Extraordinary General Meeting held on 23 May 2019 and the Companies Act, 2016 (Act).</p> <p>The Board is cognisant of the Bursa Malaysia Securities Berhad’s Listing Requirements (“MMLR”), the Malaysian Code on Corporate Governance 2021 (“MCCG”) and other applicable laws, Code and regulatory guidelines that are in force in Malaysia.</p>
4.	<p>THE BOARD</p> <p>The Board is collectively responsible for the long term success of the Company and its subsidiary companies (“Group”) and the delivery of sustainable value to its stakeholders. In discharging its fiduciary duties and leadership functions, it is imperative for the Board to govern and set the strategic direction of the Company while exercising oversight on management. The Board plays a critical role in setting the appropriate tone at the top, providing thought leadership and championing good governance and ethical practices throughout the Company.</p>
5.	<p>ROLES AND RESPONSIBILITIES OF THE BOARD</p> <p>5.1 Duties and Responsibilities of the Directors</p> <p>A Director shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in discharging their duties and shall not make use of any information acquired by virtue of his position to gain directly an improper advantage for himself or for any other person or to cause detriment to the Company.</p>

5.1	<p>Duties and Responsibilities of the Directors (Cont'd)</p> <p>A Director at all times avoid conflict of interest and shall as soon as practicable after the relevant facts have come to his/her knowledge, declare the nature of his/her interest at a meeting of directors of the Company. Every Director shall give notice to the Company of such events and matters relating to him/her as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Companies Act, 2016 and other written Rules and Regulations.</p> <p>The following key responsibilities of Directors as outlined by MCCG :</p> <ul style="list-style-type: none"> (i) Together with Senior Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour including conflicts of interest management, prevention the abuse of power, corruption, insider trading, money laundering and establishing whistleblower process; (ii) Review, challenge and decide on Management's proposals for the Company and monitor its implementation by Management; (iii) Review and approve the strategic plan/initiatives of the Company supports long term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability; (iv) Supervise and assess management performance to determine whether the business is being properly managed; (v) Oversee the conduct of the Group's business to evaluate and assess management performance whether business are being properly managed; (vi) Review there is a sound framework for internal controls and risks management; (vii) Assess and identify the principal risks of the Company's business and recognize that business decisions involve the taking of appropriate risks; (viii) Set the risk appetite within which the Board expects Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks; (ix) Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management; (x) Ensure that the Company has in place procedures to enable effective communication with stakeholders; (xi) Ensure the integrity of the Company's financial and non-financial reporting; (xii) Ensure appointment of External Auditors qualifies the requirement of Paragraph 15.21 of the MMLR; and (xiii) Carry out or perform such other functions necessary for the discharge of fiduciary duties under the relevant laws, rules and regulations.
5.2	<p>Access to information</p> <p>The Directors have individual and independent access to the advice and dedicated support services of the Company Secretary in ensuring effective functioning of the Board. The directors may seek advice from the Management on issues under their respective purview.</p> <p>The Directors may also interact directly with, or request further explanation, information or updates, on any aspect of the Company's operations or business concerns from the Management.</p> <p>In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable the Board to discharge its duties in relation to the matters being deliberated.</p> <p>A Director 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.</p>

5.3	<p>Code of Ethics for the Board</p> <p>The Board of Directors observes the Code of Ethics for Directors issued by the Suruhanjaya Syarikat Malaysia which can be viewed from their website at www.ssm.com.my, the provisions of the Companies Act, 2016 and the principles of the MCCG. The Code of Ethics provides guidance for proper standards of conduct with sound and prudent practices as well as standards of ethical and behaviour for director, in line with the Company's core values which emphasize on behavioural ethics when dealing with third parties and employees. Directors are expected to conduct themselves with the highest ethical standards and corporate governance.</p>
6.1	<p>6. SEPARATION OF FUNCTION BETWEEN CHAIRMAN OF BOARD AND THE GROUP CHIEF EXECUTIVE OFFICER</p> <p>The Chairman of the Board may either be Executive or Non-Executive. Where the Chairman of the Board is not an Independent/Non-Executive Director, the Board should comprise a majority of Independent Directors to ensure a balance of power and authority on the Board.</p> <p>The Chairman carries out a leadership role in the conduct of the Board and its relations to shareholders and other stakeholders.</p> <p>The Chairman is also responsible for the operations, leadership and governance of the Board, ensuring its effectiveness and assumes the formal role as the leader in chairing all Board meetings and shareholders' meetings. He leads the Board in overseeing Management and principally ensures that the Board fulfils its obligations under the Board Charter and as required under the relevant legislations.</p> <p>6.1 Key responsibilities of the Chairman:</p> <ul style="list-style-type: none"> (i) Leading the Board in setting values and standards of the Company; (ii) Maintaining a relationship of trust with and between the Executive Directors and Non-Executive Directors; (iii) Ensuring provision of accurate, timely and clear information to facilitate Directors to perform effectively, able to make informed decisions and to monitor effective implementation of the Board's decision; (iv) Ensuring effective communication with shareholders and relevant stakeholders; (v) Arranging regular evaluation of the performance of the Board, its Committee and individual directors; and (vi) Facilitating the effective contribution of non-executive Director and ensuring constructive relations be maintained between the Executive Directors and Non-Executive Directors. <p>The segregation between the duties of the Chairman and the Group Chief Executive Officer ("GCEO") ensures appropriate balance of the responsibility and accountability at the Board level.</p>

6.2	<p>Key responsibilities of GCEO amongst others:</p> <ul style="list-style-type: none"> (i) Assisting the Chairman in organising information necessary for the Board to deal with the agenda and for providing this information to Directors on a timely basis; (ii) Providing assurance to the Board on the adequacy and effectiveness of the risk management and internal control systems, in all material aspects, annually, jointly with the Chief Financial Officer (or person primarily responsible for the management of the financial affairs of the Group. (iii) Implements the policies, strategies and decisions adopted by the Board; (iv) Executive responsibility for the day-to-day operation of the Group's business; (v) Providing an avenue for whistle-blowing; and (vi) Performing other responsibilities assigned by the Board from time to time.
7.	<p>EXECUTIVE DIRECTORS</p> <p>7.1 Key responsibilities of Executive Directors:</p> <ul style="list-style-type: none"> (i) Primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective running of the Group; (ii) Establishing and reviewing the risk management framework and internal control system across the Group; (iii) Ensure 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; (iv) Provide effective leadership to the Group and is responsible for ensuring high management competency and that an effective management succession plan is in place to sustain continuity of operations; (v) Act as the conduit between the Board and Management in ensuring the success of the Group's governance and management functions; (vi) All Board authorities conferred on the 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; and (vii) Implement the policies, strategies and decisions adopted by the Board.
8.	<p>INDEPENDENT DIRECTORS</p> <p>An Independent Director shall, upon his appointment forward to Bursa Malaysia Securities Berhad ("Bursa Securities") a letter stating that he is an Independent Director as defined under paragraph 1.01 of the MMLR.</p> <p>8.1 Definition of Independent Directors in line with MMLR:</p> <ul style="list-style-type: none"> (i) Not been within the last three (3) years, an officer of the listed issuer or any related corporation of such listed issuer (referred to as "said Corporation"). For this purpose, "officer" has the meaning given in section 2 of the Companies Act 2016 but excludes a director who has served as an independent director in any one or more of the said Corporation for a cumulative period of less than 12 years; (ii) Not a major shareholder of the said Corporation; (iii) Not a family member of any executive director, officer or major shareholder of the said Corporation;

	<ul style="list-style-type: none"> (iv) Not acting as a nominee or representative of any executive director or major shareholder of the said Corporation; (v) Not been engaged as an adviser by the said Corporation under such circumstances as prescribed by Bursa Securities; and (vi) Not engaged in any transaction with the said Corporation under such circumstances as prescribed by Bursa Securities or is not presently a partner, director or major shareholder as the case may be, of a firm or corporation (other than subsidiaries of the applicant or listed issuer) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by Bursa Securities. (vii) Has not served as an independent director in any one or more of the said Corporation for a cumulative period of more than 12 years from the date of his first appointment as an independent director.
<p>8.2</p>	<p>Tenure of Independent Directors</p> <p>The tenure for an Independent Director shall be for a cumulative term of nine (9) years since appointment as an Independent Director.</p> <p>The Independent Director may continue to serve on the Board beyond the 9-year tenure provided the Independent Director is re-designated as a Non-Independent Director. If the Board intends to retain an Independent Director beyond 9 years, it must justify and seek annual shareholders' approval through a two-tier voting process.</p>
<p>8.3</p>	<p>Senior Independent Director</p> <p>The Board shall also identify from amongst its members a Senior Independent Non-Executive Director to act as an additional safeguard and to serve as a fall back point of contact for investors and shareholders when the normal channel of communication is considered to be inappropriate or inadequate.</p>
<p>8.4</p>	<p>The Senior Independent Director shall have specific responsibilities which include:</p> <ul style="list-style-type: none"> (i) serves as designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through normal channels of contact with the Chairman and the GCEO; (ii) serves as the principal conduit between the Independent Directors and the Chairman on sensitive issues. (iii) receives report/s made by employees, shareholders or external parties.
<p>8.5</p>	<p>Role of Independent/Non-Executive Directors</p> <p>An Independent Non-Executive Director is independent of management and free of any significant 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 judgment, and who otherwise meet the criteria for independence. The Independent Non-Executive Directors provide Independent judgment, experience and objectivity without being subordinated to operational considerations.</p> <p>The Independent Non-Executive Directors help 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.</p> <p>The views of the Independent Non-Executive Directors should carry significant weight in the Board's decision-making process.</p> <p>The Board undertakes to assess the independence of the Independent Non-Executive Directors on an annual basis upon readmission or when any new interest or relationship develops.</p>

9.	<p>DECLARATION OF INTEREST/CONFLICTS OF INTEREST</p> <p>The Directors must disclose to other Board members and a letter shall be given, in due course or within a reasonable period, to the Company Secretary for tabling to the Board members on any potential conflict of interest that arose, persist, arise or be thought to exist as soon as they become aware of the issue.</p> <p>If a conflict or potential conflict situation exists, it is required that the Interested Director shall be abstained from discussions and deliberations and voting. He must not vote on the resolution approving the transactions.</p> <p>The Audit Committee is entrusted to review related party transactions and conflict of interest situations and ensure that the transactions are not prejudicial to the interest of the Company or its non-controlling shareholders. The Audit Committee should take appropriate measures to resolve, eliminate or mitigate such conflicts.</p> <p>The Audit Committee may request the internal auditor or external consultants to review the effectiveness, adherence to and relevance of the Framework established by the Company for the purpose of identifying, monitoring, evaluating, reporting and approving the related party transactions and conflict of interest situations.</p> <p>The Company Secretary must record every declaration so made in the minutes of the Board meeting. The Board will ensure that potential conflicts of interest properly disclosure such as:</p> <ul style="list-style-type: none"> (i) related party transactions; (ii) potential misuse of corporate assets; and (iii) possible use of privileged information for personal advantage.
10.	<p>COMPANY SECRETARY</p> <p>The Board appoints a Company Secretary, who plays an important advisory role, and ensures that the Company Secretary fulfils the functions for which he/she has been appointed.</p> <p>The Company Secretary is accountable to the Board through the Chairman of the Board and Committees on all governance matters.</p> <p>The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company.</p> <p>The Company Secretary should advise Directors of their obligations to adhere to matters relating to:</p> <ul style="list-style-type: none"> (i) disclosure of interest in securities; (ii) disclosure of any conflict of interest in a transaction involving the Company; (iii) prohibition on dealing in securities; and (iv) restrictions on disclosure of price-sensitive information. <p>Roles of the Company Secretary include, but not limited to:</p> <ul style="list-style-type: none"> (i) Manage all Board and Board Committee meeting logistics, attend and record minutes of all Board and Board Committee Meetings and facilitate Board communications; (ii) Advise the Board on its roles and responsibilities; (iii) Facilitate the orientation of new Directors and assist in director training and development; (iv) Advise the Board on corporate disclosures and compliance with Company and securities regulations and Listing Requirements; (v) Monitor corporate governance developments and assist the Board in applying governance practice to meet the Board's needs and stakeholders' expectations; and (vi) Serve as a focal point for stakeholders' communication and engagement on corporate governance.

	<p>The Company Secretary must keep abreast of, and inform the Board of current governance practices.</p> <p>The Board members have unlimited access to the professional advice and services of the Company Secretary.</p>
11.	<p>BOARD COMMITTEES AND TERMS OF REFERENCE</p> <p>The Board Committees are entrusted with specific duties and responsibilities to oversee the Group's affairs, in accordance with their respective terms of reference. Any material and important proposals that will significantly affect the policies, strategies, directions and assets of the Group will be subject to the Board's approval. All the Board Committees do not have the authority to make decisions on behalf of the Board but has the authority to examine areas or issues within their respective terms of reference and to report back to Board with recommendations.</p> <p>The Board appoints the following Board Committee with specific terms of reference:</p> <ul style="list-style-type: none"> (i) Audit Committee; (ii) Nomination and Remuneration Committee; and (iii) Governance Compliance and Risk Committee.
11.1	<p>AUDIT COMMITTEE</p>
11.1.1	<p>Constitution</p> <p>The Audit Committee does not have the authority to make decisions on behalf of the Board but has the authority to examine areas or issues within their respective terms of reference and to report back to the Board with relevant recommendations.</p>
11.1.2	<p>Objectives</p> <p>The principal objectives of the Audit Committee are to assist the Board, by providing:</p> <ul style="list-style-type: none"> ➤ a focused review and detailed discussion of the Company's processes for producing financial data, its internal controls and independence of its external auditors; and ➤ a forum for discussing the Company's financial data, which concerns the performance of the management, and the manner of its preparation. <p>The Management shall participate in the forum only upon request.</p>
11.1.3	<p>Membership</p> <ul style="list-style-type: none"> (i) The Audit Committee shall be appointed by the Board of Directors from amongst the Directors of the Company and shall consist of not less than three (3) members, all of whom must be Non-Executive Directors, with a majority being independent. The Chairman shall be an Independent Non-Executive Director appointed by the Board (ii) No alternate Director shall be appointed as a member of the Board. (iii) The Chairman of Audit Committee is not the Chairman of Board. (iv) No former key audit partner of the Company's external auditors shall be appointed as a member of the Audit Committee unless the said former key audit partner has observed a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.

	<p>(v) All members of the Audit Committee should be financially literate and at least one member of Audit Committee:</p> <ul style="list-style-type: none"> ➤ Must be a member of the Malaysia Institute of Accountants (“MIA”); or ➤ If he is not a member of MIA, he must have the following credentials: <ul style="list-style-type: none"> ▪ At least 3 years’ working experience and passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or ▪ At least 3 years’ working experience and be a member of one of the Association of Accountants specified in Part II of the First Schedule of the Accountants Act, 1967; or ▪ a degree/ masters/ doctorate in accounting or finance, including but not limited to members of professional accountancy organization which have been admitted as member of the International Federation of Accountants, and at least 3 years’ post qualification experience in accounting or finance; or ▪ at least 7 years’ experience being a chief financial officer of a corporation or having the function of being primarily responsible for the management of the financial affairs of a corporation; and ▪ If he is none of the above, he must fulfil such other requirements as approved by Bursa Securities. <p>In the event of any vacancy in the Audit Committee resulting in the non-compliance of the MMLR, the Board shall, within three (3) months of the event, fill the vacancy.</p> <p>The Board via the Nomination and Remuneration Committee shall review the term of office and performance of the Audit Committee and each of its members on an annually basis to determine whether the Committee and members have carried out their duties in accordance with their terms of reference.</p>
11.1.4	<p>Authority</p> <p>Whenever necessary and reasonable for the performance of the Audit Committee's duties, the Audit Committee, in accordance with any procedure to be determined by the Board and at the cost of the Company, shall be authorised to:</p> <ul style="list-style-type: none"> (i) investigate any matter within the Audit Committee's terms of reference; (ii) have resources which are required to perform its duties; (iii) have full and unrestricted access to any information pertaining to the Company; (iv) have direct communication channels with the external auditors and person(s) carrying out the internal audit function or activity (if any); (v) obtain independent professional advice or other advice, and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and (vi) convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other Directors and employees of the Company, whenever deemed necessary. <p>In pursuance of the MMLR, the Audit Committee may promptly report any breaches of the said MMLR, which have not been satisfactorily resolved by the Board of Directors, to Bursa Securities.</p>
11.1.5	<p>Functions of Audit Committee</p> <p>Without limiting the generality of paragraph 15.11 of the MMLR, the function of the Audit Committee shall be:</p> <ul style="list-style-type: none"> (i) in respect of the internal audit function of the Company and the Group:- <ul style="list-style-type: none"> ➤ to review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;

<p>11.1.6</p>	<ul style="list-style-type: none"> ➤ to review the internal audit plan, processes, the results of the internal audit assessment or investigation undertaken and whether or not appropriate actions are taken on the recommendations of the internal audit function; ➤ to review any appraisal or assessment of the performance of members of the internal audit function <p>(ii) Overseeing the Internal Audit Function</p> <p>The Audit Committee shall oversee all internal audit functions and is authorized to commission investigations to be conducted by internal audit as it deems fit.</p> <p>The Head of Internal Audit shall report directly to the Audit Committee and shall have direct access to any Audit Committee.</p> <p>The Head of Internal Audit shall be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control, and governance processes within the Company.</p> <p>All proposals by management regarding the appointment, transfer or dismissal of the internal auditor shall require the prior approval of the Committee.</p> <p>(iii) To consider any other matters as directed by the Board of Directors from time to time.</p> <p>The Chairman of the Audit Committee is encouraged to engage on a continuous basis with the Chairman of the Board, the Head of Internal Audit, the external auditors and senior management such as the Executive Director(s) and the Head of Finance, in order to be kept informed of matters affecting the Company.</p> <p>(iv) In respect of the external auditor, carry out the following and report to the Board:</p> <ul style="list-style-type: none"> ➤ Review the audit plan, report of the system of internal controls, audit report; ➤ Review the assistance given by the employees of the listed issuer to the external auditor; ➤ Review performance, independence, resignation and recommend the nomination of a person or persons as external auditors; ➤ Items mentioned in 13.1(ii), 13.2(ii) and (iv) of this Board Charter; <p>(v) Review the quarterly results and year-end financial statements, before recommending it to be approved by the Board, focusing particularly on:</p> <ul style="list-style-type: none"> ➤ Changes in or implementation of major accounting policy changes; ➤ Significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; and ➤ Compliance with accounting standards and other legal requirements; <p>(vi) To consider any related party transaction matters and conflict of interest situation that arose, persist or may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts as mentioned in Section 9 of this Board Charter.</p> <p>Policy on Assessment of External Auditors</p> <p>External auditor is appointed or re-appointed on annual general meeting and holds office until the next annual general meeting (Section 271 of the Companies Act 2016).</p>
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	<p>(i) When assessing the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements, the following shall be considered:</p> <ul style="list-style-type: none">➤ Performance of the past year(s) evaluated by Finance and/or Accounts Teams on external auditor's ability to meet timelines, how efficient the audit issues are escalated, thoroughness and completeness of their work, professionalism, communication and quality of to addressing weaknesses and improve efficiency.➤ Industry reputation and presence.➤ Team members' qualifications and experience➤ International presence➤ Potential conflict of interest that may jeopardize their independence➤ Reasonableness and affordability of the cost➤ Recent cases in the news that may implicate their performance➤ Outcome of any recent inspections on the firm by the Audit Oversight Board or other oversight bodies➤ When comparing proposals by various external auditors, the result of evaluation on the proposals as presented by the Management <p>(ii) Assurance should be obtained from the External Auditors to confirm their independence and no conflict of interest. The assurance should cover the period throughout the conduct of the engagement.</p> <p>(iii) External auditor should not be engaged to undertake a non-audit service when such engagement threatens independence or objectivity of the external auditor. Nonetheless, any engagement of external auditor to perform non-audit service should be accompanied with appropriate safeguards to mitigate potential threat to their independence and objectivity. Some of the appropriate safeguards are:</p> <ul style="list-style-type: none">➤ Key audit partner should neither oversee nor participate in the non-audit service➤ The audit team and non-audit service team shall not audit or check each other's work.➤ Declaration by members of the non-audit service team on no conflict of interest and independence from the audit team.➤ For every non-audit service engagement, obtain additional declaration from the external auditor to confirm that their independence would not be impaired by the non-audit engagement.➤ Review and approval by the Audit Committee prior to the engagement of the non-audit service. <p>(iv) The Audit Committee shall inquire and the external auditor shall declare compliance to any key partner rotational requirement including the By-Laws of the Malaysian Institute of Accountants on maximum number of years audit partner can serve in the same role and the "cooling-off" years.</p> <p>(v) Procedure to reappoint and remove external auditor:</p> <ol style="list-style-type: none">a. Conduct annual assessment on the performance by existing external auditor based on items set out in (i)-(iv)b. Audit Committee deliberates on the whether to re-appoint the external auditor <p>(vi) Procedure to appoint new external auditor:</p> <ol style="list-style-type: none">a. Invite suitable number of audit firms to submit proposalsb. Review the proposals to shortlist suitable firmsc. Interview partners / representatives of the shortlisted firmsd. Evaluate the shortlisted firms based on items set out in (i)-(iv)
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11.1.7	<p>e. Audit Committee to deliberate and select the suitable firm</p> <p>(vii) Prior to obtaining shareholders' approval, Audit Committee shall recommend to the Board to endorse the nomination of external auditor to be appointed/re-appointed/removed.</p> <p>Meetings Procedures</p> <p>(i) Frequency and calling</p> <p>The Audit Committee shall meet as frequently as the Chairman shall decide in order to discharge its duties, but not less than four (4) times in a year. In addition, the Chairman is required to call for a meeting of the Audit Committee, if requested to do so by any Audit Committee members, any Executive Directors or the external auditors.</p> <p>(ii) Notice</p> <p>The notice period convening the meeting of the Audit Committee shall be at least seven (7) days, which may be waived with the consent of all members of the Committee.</p> <p>(iii) Quorum</p> <p>A majority of Independent Directors shall form a quorum.</p> <p>(iv) Secretary</p> <p>The Secretary of the Company shall serve as the Secretary of the Audit Committee. The Secretary shall be responsible for keeping the minutes of meetings of the Audit Committee, circulating them to the Committee members and other members of the Board of Directors.</p> <p>(v) Attendance</p> <p>The members of the Audit Committee, the Head of Internal Audit, the Head of Finance and the Secretary shall normally attend meetings of the Audit Committee.</p> <p>The other Directors and employees may attend any Audit Committee meetings or parts of any meetings of the Audit Committee, upon invitation.</p> <p>A representative of the external auditors shall attend the meeting of the Audit Committee to consider the final audited financial statements of the Company, and such other meetings as determined by the Audit Committee. The Audit Committee shall meet with the external auditors without the presence of Executive Directors and management staff at least twice a year.</p> <p>(vi) Participation in meetings by conferencing</p> <p>All or any members of the Audit Committee may participate in a meeting of the Audit Committee by means of a telephone conference, video conference or any communication technology, which allows all members of the Audit Committee participating in the meeting to communicate simultaneously with each other. A member of the Audit Committee so participating shall be deemed to be present in person at the Audit Committee meeting and shall be entitled to vote or be counted in a quorum accordingly. Such an Audit Committee meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, the meeting shall be deemed held at the registered office of the Company.</p>
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11.2	NOMINATION AND REMUNERATION COMMITTEE
11.2.1	Constitution
	The Board has on 1 September 2023 combined the Nomination Committee and Remuneration Committee into a single committee known as Nomination and Remuneration Committee.
11.2.2	Objectives
	<p>The principal objectives of the Nomination and Remuneration Committee amongst others, are as follows:</p> <ul style="list-style-type: none"> ➤ to assess and recommend suitable candidates for appointment to the Board, Board Committees, Board of subsidiary companies and key Company-wide senior management officers of the Company; ➤ to assess the Directors of the Company and subsidiary companies on an on-going basis, with the view to ensure that all Boards have the appropriate mix of skills, experiences and other qualities, and the appropriate Board size; and ➤ to recommend to the Board, the remuneration package of the Executive Directors including Directors of subsidiary companies, and key Senior Management officers to ensure that the Executive Directors and key Senior Management officers are fairly rewarded for their contribution to overall performance and that the compensation is reasonable in light of the Group's objectives.
11.2.3	The Nomination and Remuneration Committee is authorised by the Board of Directors to act as follows:
	<ul style="list-style-type: none"> (i) To recommend to the Board, candidates for all directorship to be filled by the shareholders or the Board, in the Group; (ii) To recommend to the Board, suitable Directors to fill the seats on Board Committees; (iii) To recommend to the Board, suitable candidates for appointment to key Company-wide senior management positions in the Company; (iv) To annually review the required mix of skills, experience and other qualities of the Board, the Board of subsidiary companies and key Company-wide senior management, including core competencies of a Director of the key Companywide senior management, and adequacy of balance between Executive Directors, Non-Executive Directors and Independent Directors; (v) To establish and implement a process for assessing the effectiveness of the Board and the Board of subsidiary companies as a whole, the effectiveness of each Director and the performance of the key Company-wide senior management; (vi) To assess and recommend to the Board, the re-election of Directors retiring by rotation at annual general meetings; (vii) To recommend to the Board, the removal of Director including Director of subsidiary companies, and key Company-wide senior management officers if he is ineffective, errant or negligent in discharging his responsibilities; (viii) To oversee the appointment, management succession planning and performance evaluation of the key Company-wide senior management officers; (ix) To carry out such other responsibilities as may be delegated by the Board from time to time and such other matters as the Nomination and Remuneration Committee considers appropriate; (x) To review and recommend to the Board, the overall remuneration policy and structure for Executive Directors of the Company including subsidiary companies, and key Senior Management officers to ensure that rewards commensurate with their contributions to the Group's growth and profitability; and that the remuneration policy supports the Group's objectives and shareholder value and is consistent with the Group's culture and strategy;

	<p>(xi) To review annually the performance of the Executive Directors, including Director of subsidiary companies, and key Senior Management officers and recommend to the Board, adjustments in remuneration and/or reward payments, if any, reflecting their contributions for the year. Salaries payable to Executive Directors must not include a commission on or percentage of turnover;</p> <p>(xii) To review as and when necessary, with other independent professional advice or outside advice if required, the adequacy of the remuneration and benefit packages of the Executive Directors, including their terms and conditions of service for market comparability and recommends changes to the Board whenever necessary; and</p> <p>(xiii) To ensure that the review and update the job description for Executive Directors are in line with the Company's corporate strategies and direction.</p> <p>In line with MCCG, the Nomination and Remuneration Committee carries out annual evaluation on the effectiveness of the Board as a whole and the Audit Committee to review the effectiveness of the Board's and the Audit Committee's decision-making process. Prescribed Evaluation Forms are circulated to all members of the Board and Audit Committee to be evaluated by the Nomination and Remuneration Committee. Nomination and Remuneration Committee evaluates the performance of Individual Board members and Board Committees. The results will eventually be discussed and deliberated at the Board Meeting.</p> <p>11.2.4 Membership</p> <p>The Committee shall be appointed by the Board from amongst the Directors of the Company and shall consist of not less than three (3) members of whom majority is independent. The Chairman shall be an Independent Non-Executive Director appointed by the Board.</p> <p>11.2.5 Procedures for new nomination and yearly review</p> <p>(i) The curriculum-vitae (CV) of all candidates or Directors, including Directors of Subsidiary Companies and key Company-wide Senior Management officers should be submitted to the Committees. The CV would be used by the Committee for annual review.</p> <p>(ii) For new appointment to the Board, the Board of Subsidiary Companies, the key Company-wide Senior Management officers, the Committee shall consider, within the bounds of practicability, any proposal from any Directors, shareholders or Senior Executives for evaluation and recommendation.</p> <p>(iii) The Chairman of the Nomination and Remuneration Committee and/or the Nomination and Remuneration Committee may have a Session with the candidate and in making its recommendations, the Committee shall consider the candidate's:</p> <ul style="list-style-type: none"> ➤ specific Skills, knowledge, expertise and working experience; ➤ time commitment; ➤ personal integrity and reputation, where the candidate must have personal qualities such as honesty, diligence, independence of mind and fairness; ➤ financial integrity, where he/she must manage his financial affairs prudently; ➤ in the case candidates for the position of Independent Non-Executive Directors, the Committee shall also evaluate; ➤ the candidates' ability to discharge such responsibilities/functions as expected from Independent Non-Executive Directors; ➤ independence and conflict of interest; and ➤ external directorship involved.
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<p>11.2.6</p> <p>11.2.7</p>	<p>(iv) The annual assessment of the key Company-wide Senior Management officers to be conducted based on individual performance appraisals/evaluation and in consultation with the Executive Director, GCEO, where applicable or relevant management personnel.</p> <p>(v) All assessments and evaluations carried out by the Nomination and Remuneration Committee in the discharge of all functions are to be properly documented.</p> <p>The process of identifying and nominating new candidates for appointment as a Director entails the following steps:</p> <div style="text-align: center;"> <pre> graph TD A[Identification of candidates] --> B[Evaluation of suitability of candidates] B --> C["• Shortlisting and meeting up with the candidate • Assessment against Assessment Criteria and Guides • Recommendation by NC"] C --> D[Final deliberation by the Board and decision thereof] </pre> </div> <p>Meeting Procedures</p> <p>(a) Frequency and calling</p> <p>The Nomination and Remuneration Committee shall meet at least once a year or whenever the needs arises. The Chairman is required to call for a meeting of the Nomination and Remuneration Committee, if requested to do so by any Nomination and Remuneration Committee members or any Executive Directors.</p> <p>(b) Notice</p> <p>The notice period convening the meeting of the Nomination and Remuneration Committee shall be at least seven (7) days, which may be waived with the consent of all members of the Nomination and Remuneration Committee.</p> <p>(c) Quorum</p> <p>Two and the Chairman shall be an independent non-executive director.</p> <p>(d) Participation in Nomination and Remuneration Committee meetings by conference</p> <p>All or any members of the Nomination and Remuneration Committee may participate in a meeting of the Nomination and Remuneration Committee by means of a telephone conference, video conference or any communication technology, which allows all members of the Nomination and Remuneration Committee participating in the meeting to communicate simultaneously with each other. A member of the Nomination and Remuneration Committee so participating shall be deemed to be present in person at the Nomination and Remuneration Committee meeting and shall be entitled to vote or be counted in a quorum accordingly. Such a Nomination and Remuneration Committee meeting shall be deemed to take place where the largest group of those participating is assembled, or if there is no such group, the Nomination and Remuneration Committee meeting shall be deemed held at the registered office of the Company.</p>
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	<p>(e) Circular Resolutions</p> <p>A resolution in writing signed or approved by letter, telefax by all the Nominating Committee members and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a Nomination and Remuneration Committee meeting duly called and constituted. All such resolutions shall be described as "Nomination and Remuneration Committee Members' Resolutions in Writing" and shall be forwarded or otherwise delivered to the Secretary without delay, and shall be recorded by him in the Company's Minutes Book. Any such resolution may consist of several documents in like form, each signed by one (1) or more Nomination and Remuneration Committee Members.</p>
11.3	<p>GOVERNANCE COMPLIANCE AND RISK COMMITTEE</p>
11.3.1	<p>Composition</p> <p>The Governance, Compliance and Risk Committee ("GCARC") shall be chaired by an Independent Director and its members shall comprise majority of Non-Executive Directors, a majority of whom are independent.</p> <p>The Chairman of the Board does not serve on the GCARC as Chairman to ensure check and balance.</p> <p>The GCARC comprises of three (3) sub-committees, namely: -</p> <ul style="list-style-type: none"> (i) Risk Management Committee; (ii) Integrity Committee; and (iii) Sustainability Committee.
11.3.2	<p>Quorum of Meetings</p> <p>The contemporaneous linking together by electronic telecommunication media or audio-visual communication or wireless application protocol (WAP) of a minimum of two (2) GCARC members shall be deemed to constitute a meeting of the members wherever in the world they are on the day and time at which (using Malaysia time) the conference is held, as long as: -</p> <ul style="list-style-type: none"> (a) The quorum of members is met; (b) At the commencement of the meeting, each member acknowledges the presence thereof to all the other members taking part and such participation shall be deemed to be presence in person; (c) Each of the members taking part is able to be heard and hear each of the subject as hereinafter mentioned throughout the meeting; (d) None of the members present at the commencement of the meeting leaves the meeting by disconnecting the electronic communication media, but the meeting shall be deemed to have been conducted validly notwithstanding that the electronic communication media or wireless application protocol (WAP) used by any one or more of the members is accidentally disconnected during the meeting and provided that a quorum of members continues to be present and acts throughout during the period of disconnection. If at any time, a quorum of members is no longer present, the Chairman of the meeting shall declare that the meeting is adjourned but only after having given ample time for the relevant member(s) to re-join the meeting; (e) All information and documents are made equally available to all participants prior to or during the meeting. <p>Any other person(s) may be invited by the GCARC and/or the GCARC Chairman from time to time to attend the GCARC meeting.</p>

11.3.3	<p>Majority Decision</p> <p>All decisions of the GCARC shall be decided on the votes of simple majority of the members present physically or virtually.</p> <p>Any decision or recommendation made by the GCARC shall be subject to the review and ultimate approval of the Company's Board of Directors.</p>
11.3.4	<p>Casting Vote</p> <p>In the event of an equality of vote, the Chairman of the meeting shall have a casting vote.</p>
11.3.5	<p>Frequency of Meetings</p> <p>The GCARC shall meet at least twice (2) a year or at such other frequency as the Chairman may determine.</p>
11.3.6	<p>Notice of Meetings</p> <p>Minimum seven (7) days or such shorter notice as the GCARC may deem fit depending on the nature and prevailing circumstances at hand.</p>
11.3.7	<p>Secretary</p> <p>The Group Company Secretary shall be the Secretary for the GCARC. In the event the Group Company Secretary is unable to attend, an assistant or deputy Secretary(s) may be appointed for that specific meeting.</p>
11.3.8	<p>Minutes of Meetings</p> <p>The Secretary (which expression shall include the assistant or deputy Secretary appointed under item 11.3.7) shall table the minutes of each GCARC Meeting and shall circulate the same for each Member's record. The Chairman's confirmation of the Minutes shall be taken as a correct record of the proceedings thereat.</p> <p>The Chairman shall report on the outcome or decision of each meeting to the Board.</p>
11.3.9	<p>Resolution in Writing</p> <p>A resolution in writing, signed or assented to by a majority of the members who are sufficient to form a quorum, shall be valid and effectual as if it had been passed at a meeting of the committee duly convened.</p> <p>Any such resolution may consist of several documents, in similar form and each document shall be signed or assented to by one or more members including via electronic mail or any of electronic approval or electronic signature via software, electronic devices or other means of communication apparatus or devices.</p> <p>A copy of any such resolutions shall be forwarded or otherwise delivered to the Company Secretary and shall be recorded by the Company Secretary in the minutes book.</p>
11.3.10	<p>Roles and function of the GCARC</p> <p>The GCARC assists the Board of Directors to fulfil its corporate governance and oversight responsibilities in relation to the relevant Acts, Laws, Requirements, Codes, Regulations and Policies governing the Company.</p> <p>The GCARC oversees the development and implementation of the Group's sustainability-related framework, anti-bribery and corruption compliance, risk management framework and its related policies.</p>

11.3.11	<p>The GCARC investigates any matters within its terms of reference and as authorised by the Board, including seeking any information from any parties and to obtain outside legal or other independent professional advice at the Company's expense if the GCARC considers necessary.</p> <p>The GCARC reports and updates the Board on matters and findings of the GCARC and makes the necessary recommendations to the Board within its terms of reference or as authorised by the Board.</p> <p>Responsibilities and Duties</p> <p>The GCARC undertakes oversight of the following: -</p> <p>(i) <u>Corporate Governance, Compliance, Regulatory, Tax and all relevant compliance matters of the Company</u></p> <ul style="list-style-type: none"> (a) Evaluate and monitor the Company's compliance with the relevant Acts, Laws, Requirements, Codes, Regulations and Policies governing the Company; (b) Review the assessment of the alignment to the relevant regulatory standards in the Company's systems, controls and conduct of business; (c) Receive and consider reports of non-compliance by the Company from the external service providers i.e. the auditors, legal advisors, agents, consultants and external parties with any relevant Acts, Laws, Requirements, Codes, Regulations and Policies governing the Company; (d) Ensure the Company's tax matters are managed in line with the relevant tax legislations and the Company's overall approach to governance and transparency while ensuring stakeholders interest are protected; (e) Review new legal, regulatory, tax and compliance requirements and standards; (f) Ensure the Board is informed of upcoming changes in corporate governance, regulations or compliance requirements and the needful plans are put in place to ensure that the Company is ready for the needful changes; (g) Provide oversight of the Company's relationships with its regulators; and (h) Assess and ensure that the Board and the Board Committees have adequate time, updated information and resources to fulfil their fiduciary duties towards the Company. <p>(ii) <u>Anti-bribery and Corruption Compliance</u></p> <ul style="list-style-type: none"> (a) oversight of development and implementation of the Group's Principles of Business Conduct, Anti-Bribery and Corruption Policy ("ABC Policy"), Anti-Bribery Management System ("ABMS"), Whistle Blowing Policy in relation to anti-bribery and corruption, whistle blowing and non-financial risks; (b) advise the Board and the Management on the anti-bribery and corruption, legislative and regulatory landscape to ensure compliance; (c) introduce any regulation which would enable the smooth administration and effective discharge of the Integrity Committee's duties and responsibilities;
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	<ul style="list-style-type: none"> (d) review the adequacy of compliance programme of the Group and the implementation of the relevant anti-bribery and corruption control measures, including but not limited to, due diligence process, compliance checks and monitoring, as well as the authorities' raid procedures, to ensure ongoing awareness programme, communication, training and education on compliance disseminated to all employees, consultants, associates, suppliers and stakeholders of the Group; (e) review the ABMS from time to time to ensure that the Group is in compliance with the Malaysian Anti-Corruption Commission Act 2009, the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other legislative and reporting requirement; (f) identify the bribery and corruption risks which the Group might reasonably anticipate and furnish the bribery risk assessment and the report to the Board of any findings of the GCARC; (g) inquire into any allegation of bribery or act of corruption and ensure appropriate actions are taken; (h) supervise, monitor and manage the complaints received pertaining to bribery, corruption, abuse of power, malpractice and violation of business conduct within the Group. (i) monitor and review the development and implementation of the anti-bribery and corruption, legislative and regulatory landscape by the Integrity Committee. The GCARC to ensure that they are appropriate, effective, adequately enforced and conformance to the requirements of ISO37001:2016 standard; and (j) perform any other activities relating to anti-bribery and corruption, as authorised by the Board. <p>(iii) <u>Risk Management and Internal Control</u></p> <ul style="list-style-type: none"> (a) oversee, review and monitor the duties and responsibilities of the Risk Management Committee ("RMC"); (b) assess the scope and effectiveness of the systems and processes established by the RMC; (c) identify, assess, manage and monitor areas of material business risks of the Group, financial and non-financial risks; (d) develop and ensure the systems and processes in identifying, assessing, treating, monitoring and reporting the business risks are continuously improved; (e) oversee the conduct, and review the results of the Group's risk assessment including the identification and reporting of critical risks; (f) conduct annual review and periodic testing of the Company's internal control and risk management framework. (g) advise the Board on the Group's current risk exposures and futures risk strategy based on its overall risk appetite; (h) recommend the risk policy including the setting of risk management authorities, limits and escalation procedures to the Board;
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	<ul style="list-style-type: none"> (i) provide guidance and strategic direction to the business units on the adequacy and effectiveness of internal control systems for identification and mitigation of material business risks; (j) establish procedures in conjunction with the respective business units to ensure identification of and compliance with relevant laws, licensing and regulatory requirement; (k) liaise where necessary with the Legal and Internal Audit functions of the Group; and (l) undertake any other risk management tasks as may be delegated by the Board to the Committee. <p>(iv) <u>Sustainability</u></p> <ul style="list-style-type: none"> (a) oversee, review and monitor the duties and responsibilities of the Sustainability Steering Committee ("SSC"); (b) oversee the formulation of the Group's overall sustainability framework and strategies, including principles and policies which are aligned with related regulations and standards; (c) monitor the implementation of the Group's overall sustainability framework, principles, policies, initiatives, activities, strategies, and plan undertaken or implemented; (d) review and recommend to the Board the development and implementation of the Company's sustainability-related strategies, goals, initiatives, business plans and major action plans; (e) oversee the Group's responsibilities, on-going commitments and initiatives on its sustainability which encompasses the Economics, Environmental, Social and Governance ("EESG") to be in line with the Group's vision, mission and values; (f) review the relevant compliance with the regulatory and public commitments on sustainability matters and monitor the effectiveness of the risk management framework related to sustainability and EESG matters including risk appetites and risk policies; (g) review and consider other sustainability and EESG related matters referred by the Board. (h) ensure the EESG risks identified are incorporated into the risk register and the oversight of each significant risk is the responsibility of the Board; (i) consider and determine the Group's position on relevant emerging sustainability issues, and consider and recommend proposals, targets and commitments in connection thereto; (j) oversee and assess the Group's contribution to, impact on and role in environmental, climate change and society in countries where it operates; (k) facilitate the necessary sustainability reporting and disclosures as required by the relevant regulatory and government authorities including the Annual Report of the Company. (l) perform any other duties relating to the sustainability as may be required or authorised by the Board.
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11.3.12	<p><u>Authority</u></p> <p>In executing and discharging its duties, the Committee has unlimited access to the Senior Management of the Group for assistance, information and advice as well as the following: -</p> <ul style="list-style-type: none"> - To seek any information, as may be required from any employees within the Group and external parties. - To invite any employees or external parties to attend the Committee meeting as and when required. - To obtain, at the Company's expense, outside legal or otherwise professional advice on any matters within its terms of reference where the Committee deems necessary or as and when required.
11.3.13	<p><u>Review of the Terms of Reference</u></p> <p>The GCARC shall review the Terms of Reference from time to time to ensure its relevance and to consider any amendment/ improvement(s) thereto as and when the GCARC deems necessary. Any variation/ amendment(s) to the Terms of Reference shall be recommended to the Board for endorsement and adoption.</p>
12.	<p>REMUNERATION LEVELS OF DIRECTORS</p> <ul style="list-style-type: none"> (i) 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. (ii) The level of remuneration for the GCEO and Executive Directors is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar Malaysian public listed companies. (iii) Non-Executive Directors are entitled to participate in the Company's Employee Share Options Scheme (ESOS) subject to approval at a General Meeting. Non-Executive Directors who participated in the ESOS are prohibited to sell, transfer or assign the shares within one (1) year from the date of offer of such options. (iv) No Director other than the GCEO and Executive Directors shall have a service contract with the Company. (v) A formal independent review of the Directors' remuneration is undertaken no less frequently than once every three (3) years. (vi) There is adequate disclosure in the Annual Report with a note on the remuneration of Directors.

13	ACCOUNTABILITY AND AUDIT
13.1	<p>Financial Reporting</p> <ul style="list-style-type: none"> (i) The Company aims to present a clear and balanced assessment of the Company's financial position and future prospects that extends to the interim and price-sensitive information and other relevant reports submitted to regulators. (ii) The Board reviews reports and recommendations of the Audit Committee, deliberates and approves quarterly and annual assessments of the Group's position and prospects prior to the timely release to Bursa Malaysia and/or shareholders. (iii) The Directors is responsible for ensuring that the financial statements give a true and fair view of the state of the affairs of the Company and the Group and have been prepared in accordance with applicable accounting standards in Malaysia and the provision of the Act. (iv) The Company's practice is to announce to Bursa Securities its quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period. (v) The Auditors Report shall contain a statement from the Auditors explaining their responsibility in forming an independent opinion, based on their audit, of the financial statements.
13.2	<p>External Auditors</p> <ul style="list-style-type: none"> (i) The Board has established formal and transparent arrangements for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the External Auditors through its Audit Committee. (ii) The Audit Committee also keeps under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the External Auditors. The Company ensures that the External Auditors do not supply a substantial volume of non-audit services to the Company. (iii) Appointment of the External Auditors is subject to approval of shareholders at General Meetings. The External Auditors have to retire during the AGM every year and be re-appointed by shareholders for the ensuing year. (iv) The Audit Committee is required to review whether any reason (supported grounds) to believe the External Auditor is not suitable for re-appointment and make the relevant recommendation to the Board.
13.3	<p>Internal Controls and Risk Management</p> <ul style="list-style-type: none"> (i) The Company has a well-resourced internal audit function, which critically reviews all aspects of the Company's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditures and internal controls of all business and support units and subsidiaries are undertaken on a regular basis. The Head of Internal Audit has direct access to the Board through the Chairman of the Audit Committee. (ii) The Board ensures a review on the adequacy and effectiveness of the Risk Management and Internal Control System is undertaken annually, and there are no significant control failures or weaknesses that will result in material misstatements, losses or fraud.

	(iii) The Board ensures that an assurance from the Chief Financial Officer to the Board is obtained annually confirming that the Company's risk management and internal control system are adequate and effective taking into account all significant aspects.
14.	<p>DIRECTORS' REMUNERATION</p> <p>The fee or remuneration payable to Non-Executive Directors is proposed by the Board and subject to the shareholders' approval at the General Meeting. The level of remuneration of Non-Executive Directors reflects the experience, expertise and level of responsibilities undertaken by the individual Director concerned.</p>
15.	<p>GENERAL MEETINGS</p>
15.1	<p>Annual General Meeting (AGM)</p> <p>(i) The Company regards the AGM as an important event in the corporate calendar of which all Directors and key senior executives should attend.</p> <p>(ii) The Company regards the AGM as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from, the Company's shareholders.</p> <p>(iii) The Chairman encourages active participation by the shareholders during the AGM.</p> <p>(iv) The Chairman and, where appropriate, the GCEO 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.</p>
15.2	<p>Extraordinary General Meeting (EGM)</p> <p>The Directors will consider requisitions by shareholders to convene an EGM or any other urgent matters requiring immediate attention of the Company.</p>
16	<p>INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION</p> <p>The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company and as such adopts an open and transparent policy in respect of its relationship with its shareholders and investors.</p> <p>The Board ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements made during the year.</p> <p>The Company conducts dialogues with financial analysts from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.</p> <p>A press conference will normally be held after each General Meeting. At this press conference, the Chairman or GCEO will give a press release stating the Company's results, their prospects and outline any specific event for notation. All press releases will be vetted by the Corporate Disclosure Manager to ensure that information that has yet to be released to Bursa Securities is not released to the press.</p> <p>The Company's website provides easy access to corporate information pertaining to the Company and its activities and is continuously updated</p>

<p>17</p> <p>17.1</p> <p>17.2</p> <p>17.3</p>	<p>RELATIONSHIP WITH OTHER STAKEHOLDERS</p> <p>In the course of pursuing the vision and mission of the Company, the Board recognizes that no Company can exist by maximising shareholders value alone. In this regards, the needs and interests of other stakeholders are also taken into consideration.</p> <p>Employees</p> <p>(i) The Board acknowledges that the employees are invaluable assets of the Company and play a vital role in achieving the vision and mission of the Company.</p> <p>(ii) The Company adopts comprehensive and documented policies and procedures with respect to the following:</p> <ul style="list-style-type: none"> ▪ Occupational safety and health with the objective of providing a safe and healthy working environment for all employees; and ▪ Industrial relations with the objective of managing employees' welfare and well-being in the workplace. <p>Environment</p> <p>The Board acknowledges the need to safeguard and minimise the impact to the environment in the course of achieving the Company's vision and mission.</p> <p>The Company adopts comprehensive and documented policies and procedures as part of its commitment to protect the environment and contribute towards sustainable development.</p> <p>The Company supports initiatives on environmental issues.</p> <p>Social Responsibility</p> <p>The Board acknowledges that the Company should play a vital role in contributing towards the welfare of the community in which it operates.</p> <p>The Company adopts comprehensive and documented policies and procedures towards responsible marketing and advertising of its products and services.</p> <p>The Company supports charitable causes and initiatives on community development projects.</p>
<p>18.</p>	<p>INDEMNITIES AND INSURANCE</p> <p>Every Director, Secretary, other officers of the Company shall be indemnified in accordance with Section 288 and 289 of the Companies Act, 2016.</p>
<p>19.</p>	<p>RELATIONSHIP BETWEEN THE BOARD AND THE MANAGEMENT</p> <p>The Board link the Company's governance through the Group Chief Executive Officer and the Executive Directors.</p> <p>All Board authority conferred on Management is delegated through the Chief Executive Officer and the Executive Directors so that the authority and accountability of Management is considered to be the authority and accountability of the Chief Executive Officer and the Executive Directors so far as the Board is concerned.</p> <p>The Executive Directors are expected to keep all Directors informed of all important matters.</p>

20.	<p>MANAGEMENT</p> <p>The Management is expected to act within all specific authorities delegated to them by the Company.</p> <p>The Management is expected not to cause or permit any practice, activity or decision that is contrary to commonly accepted good business practice or professional ethics.</p> <p>There is a clear demarcation between the roles and responsibilities of the Board and Management. The Board is mindful of its fiduciary obligations including managing situations which may give rise to conflicts of interest. The Board expects the Management to adopt an open and transparent approach in respect of any issues which require the Board to be informed. Nevertheless, in the event of conflicts, the Board is authorised to seek independent advice to ensure that the Board's integrity and reputation will not be compromised.</p>
21	<p>REVIEW OF THE COMMITTEE TERMS AND REFERENCE</p> <p>The Board Committees' Terms of Reference shall be reviewed periodically, once every three years or as and when necessary.</p>
22	<p>REVIEW AND APPROVAL</p> <p>The Board shall periodically review this Board Charter and make any necessary amendments/ improvements to ensure that it remains consistent with the Board's objectives as well as the latest applicable rules or regulations.</p> <p>This Board Charter has been approved by the Board on 22 February 2018 and any subsequent amendments to this Board Charter shall be approved by the Board. It supersedes and replaces any earlier versions as from the effective date.</p> <p>Any updates to the principles and practices set out in this Board Charter shall be made available on the corporate website.</p>