

1 Doc International Berhad

Registration No. 202301046813 (1540727-V)

Board Charter

Date Adopted by Board : [to be determined]
Effective Date : [to be determined]

1. INTRODUCTION

- 1.1 The Board of Directors (“Board”) of 1 Doc International Berhad (“Company”) commits itself to instilling good corporate governance practices in the Company and its subsidiaries (“Group”) from time to time in accordance with the principles set out in the Malaysian Code on Corporate Governance (“MCCG”) as the Board believes that corporate governance is vitally important to the success and sustainability of the Group’s business.
- 1.2 This Board Charter sets out:
- i. the composition, roles, responsibilities and processes of the Board, individual Directors and management; and
 - ii. the delegation of authority by the Board to various Board committees (“Board Committees”).
- 1.3 This Board Charter is subject to the provisions of the Companies Act 2016 (“the Act”), Company’s Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”), the MCCG and any other applicable laws or regulatory requirements.
- 1.4 In the event of a conflict between the Constitution and this Board Charter, the provisions of the former shall have precedence subject to compliance with the legislation and regulatory requirements.

2. BOARD STRUCTURE

2.1 Authority

The Board’s roles and responsibilities are governed by the Company’s Constitution and also in accordance with the Act, Listing Requirements, the MCCG, the Capital Markets and Services Act 2007 and any other prevailing regulatory corporate governance practices and laws or regulatory requirements.

2.2 Board Composition

- 2.2.1 The Board must comprise a balance of Executive Directors and Non-Executive Directors (including Independent Directors) such that no individual or a group of individuals can dominate the Board’s decision making.
- 2.2.2 The Board must consist of qualified individuals with diverse set of skills, diversity, expertise and experience from different background to govern the Company.

2.2.3 The Board may also appoint a Senior Independent Director, amongst the Independent Directors, where deemed necessary, acting as a sounding board for the Chairman, an intermediary for other directors when necessary, and the point of contact for shareholders and other stakeholders.

2.2.4 The Constitution of the Company states that unless otherwise determined by the Company in general meeting, the number of Directors must not be less than two (2) (excluding Alternate Director).

At any one time, at least two (2) or one-third (1/3), whichever is higher, of the Board members must be Independent Directors. If the number of directors is not 3 or a multiple of 3, then the number nearest 1/3 must be used. The composition and size of the Board will be reviewed from time to time to ensure its effectiveness with the assistance of the Nomination Committee ("NC").

2.2.5 In the event of any vacancy in the Board of Directors, resulting in non-compliance of paragraph 15.02(1) of the Listing Requirements, the Company must fill the vacancy within three (3) months of the event.

2.2.6 Pursuant to paragraph 15.06(1) of the Listing Requirements, a Director must not hold more than five (5) directorships in listed issuers on Bursa Securities.

2.2.7 The Chairman of the Board shall not be a member of the Audit Committee ("AC"), NC, Remuneration Committee ("RC"), and Risk Management and Sustainability Committee ("RMSC").

2.2.8 The Board strongly endorses board diversity and is supportive of the gender boardroom diversity recommended by MCCG. The Board through the NC will continuously review the Board composition taking into consideration the appropriate competence, experience, character, integrity and time to effectively discharge his/her role as a Director.

2.2.9 Pursuant to paragraph 15.02(1)(b) of the Listing Requirements, the Board shall comprise at least 1 woman Director. However, the Board will pursue its target of 30% women Directors to maintain a balance Board composition in line with Practice 5.9 of the MCCG.

2.3 **Appointment**

2.3.1 The appointment of a new Director is a matter for consideration and decision by the Board, upon recommendation from the NC.

2.3.2 In making its recommendation, the NC shall be guided by the Terms of Reference ("TOR") of the NC and Directors' Fit & Proper Policy and consider the character, experience, competence, integrity and time commitment of the candidates, as well as the following factors:-

- required mix of skills, knowledge, expertise and experience;
- age and gender;
- professionalism and integrity;
- commitment, contribution and performance;
- potential conflict of interest;
- ability to devote the required time to serve the Board;
- number of directorships in companies outside the Group; and
- in the case of candidates for the position of Independent Directors, the Board shall also consider the candidates' independence ability to discharge such responsibilities/functions as are expected from Independent Directors and taking into account the current and future needs of the Company, boardroom diversity (including diversity) and other soft attributes required as a Director.

No person shall be appointed, re-appointed, elected or re-elected as a Director on the Board or continue to serve as a Director if the person is or becomes an active politician. A person is considered an '*active politician*' if he/she is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.

The directorships held by any Board member at any one time shall not exceed five (5) in listed companies or such other numbers prescribed by the relevant regulatory bodies.

- 2.3.3 Upon the appointment of a Director, the said Director shall provide to Bursa Securities an undertaking prescribed by Bursa Securities in any event not later than fourteen (14) days.
- 2.3.4 New Directors are expected to have such expertise as to qualify them to make a positive contribution to the Board performance of its duties. New Directors are required to commit sufficient time to attend the Company's meetings or matters before accepting his/her appointment to the Board.
- 2.3.5 The Board shall not solely rely on recommendations from existing Board members, management or major shareholders for identifying candidates for appointment of Directors. The Board will utilise independent sources to identify suitably qualified candidates.

2.4 **Tenure of Directors**

- 2.4.1 Pursuant to the Constitution of the Company, at the Annual General Meeting ("AGM"), one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

2.4.2 The Directors to retire in every year shall be the Directors who have been longest in office since the Directors' last election, but as between persons who became Directors on the same day, the Directors to retire shall be determined by lot, unless they otherwise agreed among themselves.

2.4.3 The tenure of an Independent Director shall not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director, may continue to serve on the Board as a Non-Independent Director.

If the Board intends to retain an Independent Director beyond nine (9) years, it shall seek annual shareholders' approval through a two-tier voting process in accordance with the relevant registration and the MCGG.

2.4.4 An Independent Director who served for a cumulative period of more than twelve (12) years from the date of his/her first appointment as an Independent Director must resign or be re-designated as Non-Independent Director in the Company.

2.4.5 A candidate shall not be considered fit for directorship if he or she:-

- (a) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a corporation;
- (b) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence involving bribery, fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or
- (c) has been convicted by a court of law of an offence under the securities laws of Malaysia or the Act,

within a period of five (5) years from the date of conviction or if sentenced to imprisonment, from the date of release from prison, as the case may be.

2.4.6 The office of a Director shall become vacant if the Director:-

- (a) falls within the circumstances set out in Section 208 of the Act, where the Director:-
 - (i) resigns from office as Director by giving a written notice to the Company at its registered office;
 - (ii) retires in accordance with the Act or the Constitution of the Company but is not re-elected;
 - (iii) is removed from office in accordance with the Act or the Constitution of the Company;

- (iv) becomes disqualified from being a Director under Section 198 or 199 of the Act;
 - (v) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
 - (vi) dies; or
 - (vii) otherwise vacates office in accordance with the Constitution of the Company;
- (b) is absent from more than 50% of the total Board meetings held during a financial year; or
- (c) is convicted by a court of law, whether within Malaysia or elsewhere, in relation to the offences listed in 2.4.5 above.

2.5 Board Independence

2.5.1 An Independent Director means a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of the Company.

Without limiting the generality of the foregoing, an Independent Director is one who:-

- (a) is not, and has not been within the last three (3) years, an officer of the Company or any related corporation of the Company (each corporation is referred to as "said Corporation"). For this purpose, "officer" has the meaning given in Section 2 of the Act but excludes a director who has served as an Independent Director in any one or more of the said Corporations for a cumulative period of less than twelve (12) years;
- (b) is not a major shareholder of the said Corporation;
- (c) is not a family member of any Executive Director, officer or major shareholder of the said Corporation;
- (d) is not acting as a nominee or representative of any Executive Director or major shareholder of the said Corporation;
- (e) has not been engaged as an adviser by the said Corporation under such circumstances as prescribed by Bursa Securities, or is not presently a partner, director (except as an Independent Director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the said Corporation under such circumstances as prescribed by Bursa Securities;

- (f) has 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 Company) which has engaged in any transaction with the said Corporation under such circumstances as prescribed by Bursa Securities; or
- (g) has not served as an Independent Director in any one or more of the said Corporation for a cumulative period of more than twelve (12) years from the date of his/her first appointment as an Independent Director.

2.5.2 The Independent Directors provide independent judgement and ensuring the interest of all shareholders and stakeholders are taken into account by the Board and that the relevant issues are subject to objective and impartial consideration by the Board.

2.6 **Directors' Fit and Proper Policy**

2.6.1 The Board has established a Directors' Fit and Proper Policy for the appointment and re-election of Directors of the Group, to ensure that the Directors have the necessary quality, competencies and integrity to discharge their roles effectively.

2.6.2 In conducting the Fit and Proper assessment, the Board through its NC shall consider the following criteria as outlined in the Policy:

- Character and Integrity;
- Experience and Competence; and
- Time and Commitment.

2.6.3 Any candidate who has been identified for appointment as a Director or for re-appointment/re-election as a Director within Company shall be required to make a Fit and Proper declaration form as prescribed by the NC.

2.6.4 The Directors' Fit and Proper Policy is made available on the Company's website. The Company shall disclose the application of the Directors' Fit and Proper Policy in the Statement of the NC in the annual report.

3. **ROLES AND RESPONSIBILITIES**

3.1 **The Board**

3.1.1 The Board has the overall responsibility for the long-term success of the Group and delivery of sustainable value to its stakeholders. In discharging its legal and fiduciary duty, the Board assumes, amongst others, the following duties and responsibilities:-

- (a) together with the senior management, promoting good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- (b) reviewing and setting a strategic plan for the Group to ensure that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- (c) reviewing, challenging and deciding on management's proposals for the Group, and monitoring its implementation by management;
- (d) overseeing and evaluating the conduct of the Group's business to ensure the Group adheres to high standards of ethics and corporate behaviour which include managing conflict of interest, preventing abuse of power, fraud, bribe and corruption, insider trading and money laundering;
- (e) supervise and assess management performance to determine whether the business is being properly managed;
- (f) identifying the principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to the shareholders;
- (g) reviewing the information and risk management and internal control system and the effectiveness of the management;
- (h) ensuring there is an orderly succession of senior management positions who are of high calibre and have the necessary skills and experience. The Board delegates to the NC and RC to review succession plans and remuneration packages for the Directors respectively as well as the Group's policies and procedures on remuneration for the employees of the Group. The Board also ensures that there are appropriate policies for training, appointment and performance monitoring of management positions;
- (i) developing and implementing an investor relations programme or shareholders' communications policy for the Group to enable effective communication with stakeholders;
- (j) reviewing and approving financial statements;
- (k) reviewing and approving the reports of AC, NC, RC and RMSC at the end of each financial year;
- (l) reviewing and approving the Company's annual report;
- (m) ensuring the integrity of the Company's financial and non-financial reporting;

- (n) undertaking a formal and objective annual evaluation to determine the effectiveness of the Board, the Board Committees and each individual Director; and
- (o) Carry out or perform such function as deem necessary in discharge of fiduciary duties under relevant laws and regulations.

3.1.2 The Board reserves a formal schedule of matters for the Board's deliberation and approval. This includes, among others, the following matters:-

- (a) Strategic issues and planning, including sustainability;
- (b) Budget and performance reviews;
- (c) Quarterly financial results and audited financial statements;
- (d) Dividend policy or declaration of dividends;
- (e) Capital expenditures;
- (f) Material borrowings;
- (g) Treasury policies;
- (h) Key human resources issues;
- (i) Material acquisitions and disposals of undertakings and properties;
- (j) Proposed appointment/re-appointment of external auditors and their audit fees;
- (k) New venture; and
- (l) Any matters or transactions that fall within the ambit of the Board pursuant to the Act, Listing Requirements of Bursa Securities, the Company's Constitution or any other applicable laws and regulations (including related party transactions, recurrent related party transactions and conflict of interest situation).

3.1.3 The Board need to assure that the subsidiaries of the Company and their directors adhere to the following:-

- (a) The subsidiaries and their directors must provide the Company with any information requested by the Company to enable the Board to oversee the performance of the said subsidiaries effectively, including assessing non-financial performance of the Group;
- (b) The subsidiaries and their directors must cause to be kept the accounting and other records to:-
 - (i) sufficiently explain its business, transactions and financial position;
 - (ii) enable the preparation of true and fair financial statements; and
 - (iii) enable the accounting and other records to be conveniently and properly audited.

- (c) The subsidiaries and their directors must provide the Company with all information and records necessary to enable the preparation of the consolidated financial statements in accordance with the approved accounting standard.

The information and records required under 3.1.3 (b) and (c) shall be kept for not less than seven (7) years from the completion of transactions or operations to which the entries or records relate.

- 3.1.4 In relation to the financial reporting, the Board aims to present a balanced and meaningful assessment of the Company's financial performance primarily through the annual financial statements and quarterly announcement of financial results. The Board is assisted by the AC to oversee the Company's financial reporting process and the quality of the financial reporting.

3.2 **Chairman**

- 3.2.1 The Chairman plays a pivotal role in fostering the effectiveness of the Board and individual Directors.
- 3.2.2 The Chairman is elected by the Board members to provide leadership at Board level and represents the Board to the shareholders and other stakeholders. The Chairman will act independently in the best interest of the Group.
- 3.2.3 The Chairman is responsible for ensuring Board effectiveness and promoting the highest standards of integrity, probity and corporate governance throughout the Group.
- 3.2.4 The responsibilities of the Chairman, amongst others, are as follows:-
 - (a) setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
 - (b) leading the Board in establishing and monitoring good corporate governance practices in the Group;
 - (c) leading Board meetings and discussions and acting as a facilitator and ensuring appropriate level of interaction among Board members at Board meetings;
 - (d) encouraging active participation at Board meetings and allowing dissenting views to be freely expressed;
 - (e) promoting constructive and respectful relations between Directors and senior management;
 - (f) mentoring the Chief Executive Officer;

- (g) representing the Board to shareholders and ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and
- (h) presiding over the Board and general meetings of the Company.

3.2.5 The Chairman shall allow every board resolution to be voted on and ensure the will of the majority prevails. In determining policies matters, he should ensure that the following are carried out:-

- (i) all Directors are properly briefed on issues arising at Board meetings; and
- (ii) there is sufficient time allowed for discussion on complex or contentious issues and where appropriate, arrange informal meetings beforehand to enable thorough preparations.

3.2.6 The positions of Chairman and Chief Executive Officer are held by different individuals.

3.3 **Chief Executive Officer**

3.3.1 Chief Executive Officer is the principal executive in the Company for the time being, by whatever name called, and whether or not he/she is a director, whose primary responsibilities include making major corporate decisions, managing the overall operations and resources of the Group, acting as the main point of communication between the Board and corporate operations and being the public face of the Group.

3.3.2 The Chief Executive Officer has the authority to sub-delegate such authority and power to Senior Management as he or she may determine from time to time for the effective management and performance of the Group.

3.3.3 Generally, the Chief Executive Officer is accountable to the Board for, among others, the following:-

- (a) managing the day-to-day affairs/ business operations of the Group;
- (b) ensuring that the applicable rules and regulations for the conduct of affairs of the Board and for all matters associated with the maintenance of the Board or otherwise required are complied with for its efficient operation;
- (c) ensuring proper flow of information to the Board, reviewing adequacy and timing of documentary materials in support of management's proposal and review of performance of the Company and/or Group;
- (d) representing the Group as the key spokesperson with all stakeholders including investors, regulators and business partners;

- (e) leading the development of the Group's operations and businesses and recommending short and long-term strategies to the Board;
 - (f) assessing all business opportunities which are potentially beneficial to the Group;
 - (g) maintaining awareness of the competitive market landscape, expansion opportunities and industry developments;
 - (h) ensuring that the Group maintains high social responsibility wherever it does business;
 - (i) creating and implementing the Company's vision and mission;
 - (j) serving as a focal point for stakeholders' communication and engagement on corporate governance issues;
 - (k) ensure effective internal controls and governance measures are deployed; and
 - (l) act within specific authorities delegated by the Board and ensure the limits of authority accorded by the Board are observed.
- 3.3.4 The Board shall disclose to the shareholders of Chief Executive's remuneration on named basis in the Company's annual report.

3.4 **Executives and Non-Executive Directors**

- 3.4.1 Executive Directors are the senior management of the Company who involve in the day-to-day management of the Group.
- 3.4.2 Executive Directors assist the Board in decision-making process through their technical expertise and knowledge of the business and its industry.
- 3.4.3 Executive Directors, with the help of management, assist the Board in facilitating the orientation of new Directors and Director training and development.
- 3.4.4 Non-Executive Directors is a member of the Board who is not an employee of the Company. Non-Executive Directors can be classified as:-
- (a) those who have no direct or indirect pecuniary interest in the Company other than their Directors' emoluments and their permitted shareholdings in the Company;
 - (b) those who are not employees of the Company or affiliated with it in any other way and are not involved in the day-to-day running of business but may have a pecuniary interest in the Company, whether direct or indirect; or

- (c) those who are not employees of the Company but are standing as nominees for substantial shareholders.
- 3.4.5 Non-Executive Directors need to be sound in judgement and to have an inquiring mind.
- 3.4.6 Non-Executive Directors should question intelligently, debate constructively, challenge rigorously and decide dispassionately.
- 3.4.7 Non-Executive Directors may act as a bridge between management, shareholders and other stakeholders. They should provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied.
- 3.4.8 The responsibilities of Non-Executive Directors are, amongst others, as follows:-
- (a) advising and directing management in the development and evaluation of strategy;
 - (b) scrutinising the performance of management in meeting agreed goals and objectives and monitoring the reporting of performance;
 - (c) satisfying themselves that the financial information presented is accurate; and
 - (d) reviewing the risk management and internal control systems to ensure that they are robust and defensible.

4. BOARD COMMITTEES

The Board has established the following Board Committees with different functions delegated to assist the Board in carrying out its duties and responsibilities:

- (a) AC;
- (b) NC
- (c) RC; and
- (d) RMSC.

Apart from the above Board Committees, the Board may from time to time establish other Board Committees to assist the Board in discharging its responsibilities more effectively.

These Board Committees do not make decision on behalf of the Board. Each Board Committee will have the authority to examine particulars issues within its TOR and make the necessary recommendations to the Board for its consideration and decision making.

The Chairman of the Board shall not be a member of the AC, NC or RC.

The duties and powers delegated to these Board Committees are set out in the TOR of each Board Committee as approved by the Board. The TOR of each Board Committee is available on the Company's website.

The Board is collectively responsible for any decision taken by any Board Committee. The Board Committees may only perform the tasks delegated to it by the Board and should not exceed the authority conferred on it by the Board. Decisions which by law should be made by the Board shall not be delegated to the Board Committees.

5. BOARD MEETINGS

5.1 Frequency

The Directors may meet together for the despatch of business at such time and place, adjourn and otherwise regulate their meetings and proceedings as they think fit.

The Board shall conduct board meetings at least four (4) times a year. In exceptional circumstances, additional meetings may be convened. The Company Secretary shall in advance prepare and distribute to all Directors a timetable for the meetings for the year.

5.2 Notice and Agenda

The notice of Board Meeting, detail agenda and meeting materials should be circulated at least five (5) business days (or a shorter notice period where it is unavoidable) prior to each Board Meeting allowing Directors sufficient time to review the same. Directors are expected to review in advance Board Papers in order to facilitate meaningful deliberation during each meeting.

The agenda shall address high-priority strategic and operational issues, where necessary, and the Chairman shall ensure that there is enough time for discussion. Agenda issues shall be aligned with the overall Company's perspective, including its starting situation, aspiration and priorities.

5.3 Quorum

The quorum necessary for the transaction of the business of Directors shall be two (2).

5.4 Chairman's role in meeting

In the absence of the Chairman, the members present shall elect a Chairman from amongst themselves to chair the meeting. The Chairman encourages constructive and healthy debate and allows the Directors to freely express their views or share information with their peers during deliberation as a participation Board.

5.5 **Attendance**

All Directors must meet the minimum 50% attendance requirement imposed by the Listing Requirements. Senior management who are not Directors may be invited to attend and speak at Board meetings on certain matters relating to their areas of responsibility. The Board may also invite external parties such as auditors, solicitors and consultants to attend as and when the need arises.

5.6 **Meeting Mode**

The Directors may participate at a Board Meeting or any Board Committee meeting by conference telephone, video, electronic or such other communication facilities which would permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. The physical presence of Director(s) is not compulsory and participation at such Board Meeting in the aforesaid manner shall be deemed to constitute presence in person at such meeting. The Directors participating at any such Board Meeting shall be counted in the quorum for such meeting.

All resolutions agreed upon by the Directors at such a meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. All information and documents must be made equally available to all participants prior to, at or during the Board Meeting. The participation in a meeting by means of a conference telephone or similar electronic telecommunication device shall be treated with confidence, and he/she shall prevent any leakage of information/materials to any third party.

Directors are expected to strictly observe confidentiality of Company's price-sensitive information which is not known to investing public.

5.7 **Directors' Written Resolution**

In the event matters requiring the Board's decision arise between Board Meetings, such matters shall be resolved through written resolutions which shall be supported by relevant papers setting out details of the subject matter.

Such written resolutions signed or approved in the manner as stipulated in the Company's Constitution shall be as valid and effectual as if it were a resolution duly passed at a Board Meeting.

The resolution may consist of several documents in like form, each signed by one (1) or more Board members. Such document may be accepted as sufficiently signed by a member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said member.

5.8 **Voting**

All resolutions of the Board shall be adopted by a majority vote, each member having one vote.. The decision that gained the majority of votes shall be the decision of the Board.

In the case of equality of votes, where two (2) Directors form a quorum, the Chairman of a meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue, shall not have a casting vote. Likewise in the case of an equality of votes, the Chairman shall have a second or casting vote. Directors are required to inform the Board of conflicts or potential conflict of interest that they may have in relation to a particular subject matter or business transaction. These Directors shall abstain from deliberation and voting on those matters.

5.9 **Minutes**

The Company Secretary shall cause minutes to be duly entered in the books provided for the purpose of all resolutions and proceedings of all meetings of the Board.

The minutes shall record the proceedings of the meeting, pertinent issues, inquiries or responses, members' suggestions and the decisions made, including whether or not any Director has abstained from voting or deliberating on a particular matter, as well as the rationale behind those decisions. Minutes of meeting shall be circulated to all members of the Board in a timely manner.

Such minutes shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting and if so signed, shall be conclusive evidence without any further proof of the facts thereon stated.

The minutes of proceedings and resolutions of meetings of the Directors and any written resolutions passed by Directors, shall be kept at the Registered Office or other office which authorised by the Board as soon as practicable after the meeting is held or the resolution passed and be made available for inspection by any Directors during office hour.

6. **REMUNERATION OF DIRECTORS**

The Company shall provide a fair, reasonable and competitive remuneration for its Executive Directors to ensure that the Company attracts and retains high calibre Executive Directors who have the skills, experience and knowledge to increase entity value to the benefit of all shareholders.

The Executive Directors shall, subject to the terms of any agreement entered into in any particular case, receive such remuneration (whether by way of salary, bonus, commission, or participation in profits, or partly in one way and partly in another and other benefits) as the Board may determine, but such remuneration shall not include a commission on or percentage of turnover.

The Non-Executive Directors will be paid a fee for their services as Non-Executive Directors. If the fee of each such Non-Executive Director is not specifically fixed by the Members of the Company, then the quantum of fees to be paid to each Non-Executive Director within the overall limits fixed by the Members of the Company, shall be decided by resolution of the Board. In default of any decision being made in this respect by the Board, the fees payable to the Non-Executive Directors shall be divided equally amongst themselves and such a Director holding office for only part of a year shall be entitled to a proportionate part of a full year's fees. The Non-Executive Directors shall be paid by a fixed sum and not by a commission on or percentage of profits or turnover.

The fees and any benefits payable to the Directors shall be subject to annual shareholder approval at a general meeting. Directors who are shareholders and controlling shareholders with a nominee or connected Director on the Board shall abstain from voting on the resolution to approve directors' fees and benefits at the general meeting.

The Directors shall be paid all traveling, hotel and other reasonable expenses, properly and reasonably incurred by them in the execution of their duties in connection with the business of the Company in the course of the performance of their duties as Directors.

The Board has established a formal and transparent process for approving the remuneration of Directors, whereby the RC is responsible for reviewing the remuneration policy and making recommendations on the same to the Board for approval. In its review, the RC considers various factors including fiduciary duties, time commitments expected of them and the Company's performance.

The Board recognises the importance of assessing the effectiveness of individual Directors, the Board as a whole and its Committees. The Board reviews and evaluates its own performance and the performance of its Committees on an annual basis.

The Board shall disclose to the shareholders of individual Directors' remuneration on named basis in the Company's annual report.

7. INDUCTION AND TRAINING FOR BOARD MEMBERS

All newly-appointed Directors are required to complete the Mandatory Accreditation Programme required under the Listing Requirements.

All Directors shall continue to update their knowledge and enhance their skills through appropriate continuing education programmes to enable them to effectively discharge their duties and sustain active participation in Board deliberations.

The Board, with the assistance of the NC, shall assess the training needs of the Directors from time to time, to ensure that Directors have access to training courses or seminars at periodic intervals to keep themselves updated on developments pertaining to the oversight function of Directors as well as continuing education programme to update their knowledge and skills to sustain their active participation in Board deliberations and effectively discharge their duties.

The Board shall disclose in the annual report of the training programme attended by each of the Directors during the financial year.

8. GENERAL MEETINGS

8.1 AGM

8.1.1 The Board regards the General Meeting as an important platform for the Directors and senior management to engage Company's shareholders. The Directors must ensure that general meeting provides an important opportunity for effective communication with, and constructive feedback from, the Company's shareholders.

8.1.2 The Company shall hold an AGM in every calendar year within six (6) months of the Company's financial year end and not more than fifteen (15) months shall elapse between the date of one AGM and that of the next.

8.1.3 The notices convening an AGM shall specify the place, day and hour of the meeting, and shall be given to all shareholders at least twenty-one (21) days before the meeting. At least twenty-one (21) days' notice of such meeting shall be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper.

Pursuant to Practice 13.1 of the MCCG, notice for an AGM shall be given to shareholders at least 28 days prior to the meeting.

8.1.4 No business shall be transacted at any AGM unless a quorum is present when the meeting proceeds to business. For all purposes, two (2) members present in person or by proxy, or, in the case of corporations which are members, present by their representatives appointed pursuant to the provision of the Company's Constitution and entitled to vote shall be a quorum.

8.2 General Meeting ("GM")

8.2.1 The Board may, whenever it thinks fit, convene a GM other than AGM to transact other businesses. GMs shall also be convened on any requisition made in accordance with the provisions of the Act, or if the Company makes default in convening a GM in compliance with a requisition received pursuant to Section 311 of the Act, a GM may be convened by such requisitions in the manner provided in Section 313 of the Act. Any GM convened by requisitions shall be convened in the same manner, as nearly as possible, as that in which GMs are to be convened by the Directors.

8.2.2 Subject always to the provisions of Section 323 of the Act, no business shall be transacted at a GM except business of which notice has been given in the notice convening the GM.

8.2.3 The notices convening a GM shall specify the place, day and hour of the meeting, and shall be given to all shareholders at least fourteen (14) days before the meeting or at least twenty-one (21) days before the meeting where any special resolution is to be proposed. At least fourteen (14) days' notice or twenty-one (21) days' notice in the case where any special resolution is proposed of such meeting shall be given by advertisement in at least one (1) nationally circulated Bahasa Malaysia or English daily newspaper.

8.2.4 No business shall be transacted at any GM unless a quorum is present when the meeting proceeds to business. For all purposes, two (2) members present in person or by proxy, or, in the case of corporations which are members, present by their representatives appointed pursuant to the provision of the Company's Constitution and entitled to vote shall be a quorum.

9. ACCESS TO INFORMATION

All Directors shall have full and unrestricted access to any information pertaining to the Group, including access to the advice and services of the Company's auditors and consultants, Company Secretary, which is relevant to the furtherance of their duties and responsibilities as Directors of the Company at the expense of the Company.

10. INDEPENDENT PROFESSIONAL ADVICE

In discharging the Directors' duties, each Board member is entitled to obtain independent professional advice at the expense of the Company. This is for advice deemed relevant and necessary in order for the Directors to discharge their duties for the overall benefit of the Company.

In such circumstances, the Director shall first discuss it with the Chairman and provide the request to seek professional independent advice for the Board's consideration and approval. It must be noted that such a restriction is not applicable to the Executive Director who is acting in his or her capacity of the furtherance of his/her executive responsibilities and within his/her delegate powers.

11. CONFIDENTIALITY AND DISCLOSURES OF INTEREST

The Directors are required to act in the best interest of the Company. The Directors also have a duty of confidentiality in relation to the Company's confidential information.

All information and documentation received by the Board from the Company shall be treated as confidential, unless otherwise expressly decided by the Board. All Board members are responsible for ensuring that any material received is properly protected and remains confidential. If any information is to be provided to third parties, this shall be decided by the Chief Executive Officer.

A Director must disclose to the Board:-

- (a) any material personal interest they have in a matter which relates to the affairs of the Company;

- (b) the Director's interests in shares, debentures, participatory interests, rights, options and contracts in the Company or its related companies pursuant to the Act; and
- (c) any other interest (direct or indirect) which the Director believes is appropriate to disclose in order to avoid any conflict of interest or the perception of a conflict of interest.

The disclosure should be made as soon as practicable after the Director becomes aware of their interest. Details of the disclosure must be recorded in the minutes of the meeting at which the disclosure is made or the meeting held following the disclosure.

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

12. DEALINGS IN SECURITIES

A Director must not deal in the Company's securities when he is in possession of price-sensitive information. All Directors must also comply with the disclosure requirements as prescribed under Chapter 14 of the Listing Requirements when dealing in the Company's securities.

13. WHISTLEBLOWING POLICY

The Group is committed to a culture of integrity, openness, probity and accountability. The Group also has a duty to conduct its affairs in a responsible and transparent way in decision-making and to ensure good governance and ethical behaviour. To achieve this purpose, the Board has established a Whistleblowing Policy.

The objective of this policy are as follows:-

- (a) to encourage the staff, affiliated members and stakeholders in general to disclose any improper conduct which has come to their knowledge;
- (b) to enable the Group to deal with a concern internally and in an appropriate manner, rather than publicly. Publicity about malpractice, abuse, wrongdoing or misconduct can severely harm the Group reputation and may have far-reaching consequences;
- (c) to provide protection for the whistleblower who reports allegations of improper conduct and take any action responding directly to the disclosure made and to protect the whistleblower's personal information, without the risk of reprisal, separation, demotion, suspension or loss of benefits because of the report; and
- (d) build and strengthen a culture of transparency and trust both within the institution and with external stakeholders.

The Whistleblowing Policy is made available for reference on the Company's website.

14. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Group is committed to conduct its operations in an ethical, responsible, transparent and efficient manner and aspires to reinforce good governance and a preventive system as well as ensure compliance with procedures, codes of conduct and relevant laws in place. The management of the Group stressed the importance of a zero-tolerance approach to bribery and corruption in any action and decision taken, both internally and externally.

This Anti-Bribery and Anti-Corruption Policy sets out the Group's principles in dealing with improper solicitation, bribery and other corrupt activities and related issues that may arise in the Group's day-to-day operations. This policy provides a clear statement of the expected standard of conduct for staff and affiliated members. This Policy also applies to external parties who have an interest in the Group.

The objective of this policy are as follows:-

- (a) To provide guidance for staff, affiliated members and external parties and to assist them to identify and deal with bribery and corruption issues as well as to understand their roles and responsibilities;
- (b) To provide guidance on appropriate actions to be taken when dealing with situations involving corruption and bribery; and
- (c) To create a working environment free of bribery and corruption in order to enhance the trust and confidence with the stakeholders.

The Anti-Bribery and Anti-Corruption Policy is made available for reference in the Company's website.

15. CODE OF CONDUCT AND ETHICS

The Group is committed to ensure its business operations are conducted ethically, with integrity, transparency and in a responsible manner, as well as in compliance with all applicable laws and regulations.

The objective of this policy is to provide the followings:-

- (a) Professional and ethical guidelines for the Directors and employees of the Company with the aim to establish, maintain and enhance the reputation, image and branding of the Company; and
- (b) Display the highest level of professionalism in all aspect of their task complying with all applicable laws and regulations stipulated under this policy.

This policy applies to all employees of the Company and its subsidiaries and Directors. The principals and standard of this policy covers all activities, business and functions conducted beyond the normal working hours.

The Code of Conduct and Ethics Policy is made available on the Company's website.

16. INVESTOR RELATIONS AND SHAREHOLDERS COMMUNICATION

The Board recognises and values the importance of an effective and clear communication with its shareholders as well as with its potential investors and the public. It is committed that the highest standard of transparency and accountability in the disclosure of pertinent information relating to the Group, are adopted by implementing, amongst others, the following:-

- (a) timely release of announcements to Bursa Securities, which include quarterly financial results, material contracts awarded and any other material information that may affect investors' investment decision;
- (b) conducts regular dialogues with financial analysts as a means of effective communication, which enables the Board and management to convey information relating to the Group's performance, corporate strategy and other matters affecting shareholders' interests;
- (c) press conference which is normally held after the AGM/GM to provide the media an opportunity to receive updates from the Board on the proceedings at the meetings and to address any queries from the media;
- (d) encourage full participation of shareholders at the AGM to ensure a high level of accountability and discussion of the Company's strategy and goals. The Company shall invite the external auditors to attend the AGM and be available to answer to shareholders' questions about the conduct of the audit and the preparation of the auditor's report; and
- (e) shareholders can gain access to information about the Company including the summary of the Group's investor relation activities and media releases through the Company's website.

17. COMPANY SECRETARY

The Company Secretary shall be a person who is qualified pursuant to Section 235 of the Act.

The appointment and removal of the Company Secretary is a matter for the Board, as a whole. The Board is supported by a suitably qualified and competent Company Secretary who plays an important role to provide sound governance advice, ensure adherence to rules and procedures, and advocate the adoption of corporate governance best practices.

The responsibilities of the Company Secretary are, amongst others, the following:-

- (a) ensuring that the Board procedures are followed while a meeting is conducted;

- (b) managing all Board and Board Committee meeting logistics, and attending and recording minutes of all Board and Board Committee meetings and facilitating Board communications;
- (c) advising the Board on its roles and responsibilities;
- (d) facilitating and assisting in Directors' training and development
- (e) Provide updates and advising the Board on corporate disclosures and compliance with company law, securities regulations and Listing Requirements;
- (f) managing procedures pertaining to AGM;
- (g) monitoring corporate governance developments and assisting the Board in adopting good corporate governance practices to meet the Board's needs and stakeholders' expectations; and
- (h) carrying out other functions as may be directed by the Board from time to time.

18. REVIEW OF THE CHARTER

- 18.1 This Board Charter shall be periodically reviewed and updated by the Board taking into consideration the needs of the Group as well as any development in the rules and regulations that may have an impact on the discharge of the Board's duties and responsibilities.
- 18.2 This Board Charter shall be made available on the Company's website.

19. APPROVAL

This Board Charter was reviewed and approved by the Board of Directors on [to be determined].