

GDEX BERHAD
(Registration No. 200301028159 (630579-A))
(Incorporated in Malaysia)

BOARD CHARTER

INTRODUCTION

The Board of Directors (“**the Board**”) of GDEX Berhad (“**the Company**”) is accountable and responsible for the business and affairs of the Company. All Board members are expected to show good corporate governance and act in a professional manner in accordance with the laws and regulations in serving the interest of the shareholders and stakeholders. All Board members are expected to uphold the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.

PURPOSE

The Board Charter sets out the composition, roles and responsibilities and processes of the Board.

The Board Charter, which serves as a strategic guidance and effective oversight of management, is also intended to provide a concise overview of:

1. clarification of the roles and responsibilities of the Board, individual director, chairman, chief executive officer and management to facilitate the Board, individual director, chairman, chief executive officer and management’s accountability to the Group, the Company and its shareholders;
2. delegation of authority by the Board to various committees established in assisting the Board to execute its duties and responsibilities; and
3. Board operating procedures and practices pertaining to meetings, training and development, code of conduct and declarations on conflicts of interest.

BOARD STRUCTURE

A. Composition

- The Board shall be of a size and composition with the benefit of diversity in perspectives and skills to understand and deal with the current and emerging issues of the business of the Company.
- The number of directors shall not be less than two (2) and not more than fifteen (15) as set out in the Company’s Constitution.
- In accordance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements (“**MMLR**”), the Company must ensure that at least two (2) directors or one-third (1/3) of the Board, whichever is the higher, are independent directors and one (1) director of the Board member is a woman. If the number of directors of the Company is not three (3) or a multiple of three (3), then the number nearest one-third (1/3) must be used.

B. Appointment and Re-election

- The Board is responsible to determine the appropriate size of the Board and the appointment of new director is a matter for consideration and decision by the Board, upon the recommendation from the Combined Nomination and Remuneration Committee (“CNRC”). The CNRC will consider the required mix of skills, experience, other qualities and diversity, including gender, where appropriate, which the Director should bring to the Board. Further, in identifying candidates for appointment of directors, the Board may rely on recommendation from existing Board members, management or major shareholders. The Board utilises variety of independent sources to identify suitably qualified candidates.
- No person shall be 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 is a Member of Parliament, State Assemblyman or holds position as the Supreme Council or division level in a political party.
- The tenure of the Executive Directors is tied to their executive office.
- The criteria for the recruitment or appointment (including election/re-appointment) of Director is guided by fit and proper assessment by the CNRC based on the Terms of Reference of CNRC.
- Without limiting the generality of the foregoing, the qualifications for Board membership are:
 - (a) the ability to make informed business decisions and recommendations;
 - (b) an entrepreneurial talent for contributing to the creation of shareholders’ value;
 - (c) sufficient available time to be able to fulfil his or her responsibilities as a member of the Board and any of the Committees to which he or she may be appointed; and
 - (d) total commitment to furthering the interests of shareholders and the achievement of the Company’s goals.
- The Board shall endeavour to achieve 30% female directors whenever a suitable female candidate is identified. The Board through its CNRC should take steps to ensure that woman candidates are sought as part of the recruitment exercise. Where the composition of women on the Board is less than 30%, the Board should disclose the action it has or will be taking to achieve 30% or more and the timeframe to achieve this. A reasonable timeframe is three (3) years or less.
- A Director shall inform the Board’s Chairman before he/she accepts any new directorships.
- In the event of any vacancy in the Board, resulting in non-compliance with the above, the Board must ensure that the vacancy is filled within three (3) months.
- In accordance with the Company’s Constitution, one-third (1/3) or the number nearest to one-third (1/3) shall retire from office at each Annual General Meeting (“AGM”). A retiring Director is eligible for re-appointment. Directors shall retire from office at least once every three (3) years but shall be eligible for re-election at the AGM. Any new or additional Director appointed by the Board during the year to fill a casual vacancy or as an addition shall hold office only until the next AGM and shall then be eligible for re-election. The election of each Director is voted separately.

- The tenure of an Independent Director should not exceed a cumulative term of twelve (12) years. Upon completion of twelve (12) years, an Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Director.
- The Board, in exception cases and subject to the assessment of the CNRC on an annual basis, recommend for an Independent Director who has served a consecutive or cumulative term of nine (9) years to remain as an Independent Director subject to valid justification and shareholders' approval through a two-tier process.
- The Board may appoint a Senior Independent Director to whom shareholders' concerns can be conveyed if there are reasons that contact through the normal channels of the Chairman or the Managing Director/ Group Chief Executive Officer ("MD/Group CEO") have failed to resolve them.
- Annual assessment on the effectiveness of the Board, Board Committees and Individual Directors will be carried out with the objective to draw the attention of the Board key areas that need to be improved.
- The Board shall provide a statement as to whether it supports the appointment or reappointment of the director and the reasons.

ROLES AND RESPONSIBILITIES

A. Responsibilities of the Board

The Board shall assume ultimate accountability and responsibility for the performance and affairs of the Company and shall in so doing effectively represent and promote the legitimate interests of the Company and its shareholders. The Board, at all times, shall retain full and effective control over the Company and shall direct and supervise the business and affairs of the Company. Each Director has a legal duty to act in good faith, to use reasonable care, skill and diligence and to act in the best interest of the Company.

The Board shall ensure that Management has in place appropriate processes for risk assessment, management and internal controls and monitoring performance against agreed benchmarks. The Board shall work with Senior Management as collaborators in advancing the interests of the Company.

The Board should, among others, undertake the following:

- (i) Strategic planning - to review and approve strategies, business plans and key policies for the Company and its subsidiaries (collectively referred to "**the Group**") the Group and monitor Management's performance in implementing them to determine whether the business is being properly managed;
- (ii) Corporate goal - to set corporate values and clear lines of responsibility and accountability, including governance systems and processes that are communicated throughout the Group;
- (iii) Compliance to regulation - to ensure full compliance and to carry out the duties of the Board in accordance with the relevant provisions of the MMLR, the Capital Markets and Services Act 2007, the Companies Act 2016, the Malaysian Code on Corporate Governance and all applicable laws, regulations and guidelines;
- (iv) Independent and transparent - to ensure that there shall be unrestricted access to independent advice or expert advice at the Company's expense in furtherance of the Board's duties;

- (v) Code of conduct - to formalise the ethical standards through a code of conduct which will be applicable throughout the Group and ensure compliance to this code of conduct;
- (vi) Succession planning - to ensure that Management has the necessary skills and experience, and there is a proper and robust succession plan for its Management and Executive Directors in place. Succession planning refers to the process of selecting, training, appointing, monitoring, evaluating and if warranted, replacing any management to ensure succession;
- (vii) Management proposals - to review, challenge and decide on Management's proposals for the Group, and monitor its implementation by Management;
- (viii) Judgmental timing - to ensure that the Board has adequate procedures in place to receive reports from Management periodically and / or on a timely manner, so that the Board has reasonable grounds to make proper judgement on financial matters and business prospects of the Group on an ongoing basis;
- (ix) Financial and non-financial reporting - to ensure all its directors are able to understand financial statements and form a view of the information presented, and to ensure the integrity of the Group's financial and non-financial reporting. Each director shall read the financial statement of the Group and carefully consider whether what they disclose is consistent with the director's own knowledge of the Group's affairs;
- (x) Related party management - to establish procedures to assess any related party transactions or conflict of interest situations 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;
- (xi) Board committee - to establish and ensure the effective functioning and monitoring of the Board Committees then to delegate appropriate authority and terms of reference to such committees established by the Board;
- (xii) Board balance - to strive to achieve an optimum balance and dynamic mix of competent and diverse skillsets amongst the members of the Board;
- (xiii) Governance culture - together with Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour; and
- (xiv) Stakeholder communication - to ensure that the Group has in place procedures to enable effective communication with stakeholders.
- (xv) Anti-Bribery and Corruption System-To act as the Governing Body in the ISO 37001:2016 Anti-Bribery Management System (ABMS) of the Group to ensure appropriate implementation of ISO 37001:2016 in compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009 and Chapter 15 of the MMLR of Bursa Malaysia Securities Berhad.

The Board will direct and supervise the Management, the business and affairs of the Group including, in particular:

- (i) Sustainability management - to review and adopt a strategic plan for the long-term value creation and includes strategies on economic, environment and social considerations;

- (ii) Performance management - to establish policies for strengthening the performance of the Group including ensuring that the Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- (iii) Risk management - to identify principal risks, set the risk appetite within which the Board expects the Management to operate and ensure the implementation of appropriate systems to manage the significant financial and non-financial risks and to ensure there is a sound framework for internal controls and risk management;
- (iv) Internal audit - to establish an internal audit function to obtain assurance of regular review and / or appraisal of the effectiveness of the system of internal controls within the Company and Group. The Board should explain in summary the means that exist for obtaining such assurance of regular review and/ or appraisal;
- (v) Internal control - to review the adequacy and integrity of the Group's internal control system and management information systems, including systems for complying with applicable laws, regulations, rules, directives and guidelines;
- (vi) Debt repayment capacity - to decide on whatever steps necessary to protect the Company's and Group's financial position and the ability generate cash flow to meet its debts and other obligations when they fall due, and ensuring that such steps are taken; and
- (vii) Law and regulations - to ensure that the operations of the Company are conducted prudently and within the framework of relevant laws and regulations.

B. Matters reserved for the Board's decision

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

1. Appointment and removal of directors, board committees;
2. Appointment and removal of MD/Group CEO;
3. Capital structuring/restructuring;
4. Company's policies;
5. Significant Business Agreement/Alliances/Partnerships;
6. Investment amount of more than RM6 million;
7. Litigation/settlement;
8. Risk profile and appetite;
9. Maximum gearing level and minimum cash level;
10. Winding up/liquidation;
11. Reviewing and approving the annual strategic business plan and financial budget;

12. Approving transactions exceeding the authority delegated to MD/Group CEO;
13. Declaring and recommending dividend payment which is subject to the approval of shareholders in the AGM;
14. Reviewing and approving the appointment of auditors, the Group and the Company's financial statements encompassing annual audited financial statements and quarterly reports;
15. Issuing of new securities and any corporate exercise involving the Group and the Company;
16. Reviewing and approving material acquisitions and disposals of undertakings and properties, equipment or assets outside the ordinary course of business and exceeding threshold under the management's approval;
17. Reviewing and approving new investments, divestments, mergers and acquisitions, establishment of subsidiaries or joint ventures, and any other corporate exercise which requires the shareholders' approval;
18. Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
19. Limits of Authority;
20. Risk management policies;
21. Financing and borrowing activities;
22. Ensuring regulatory compliance; and
23. Reviewing the adequacy and integrity of internal controls.

CHAIRMAN AND MD/GROUP CEO

The Group and the Company aims to ensure a balance of power and authority between the Chairman and the MD/Group CEO with a clear division of responsibility between the running of the Board and the Group/Company's business respectively. The positions of Chairman and are held by different individuals.

Responsibilities of Chairman

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 is responsible for ensuring integrity and effectiveness of the Board and its committees. The Chairman of the Board should not be involved in the Board Committees to ensure there is check and balance as well as objectives review by the Board.

The Chairman is required, amongst others, to:

1. Providing leadership for the Board so that the Board can perform its responsibility effectively;
2. Facilitate all Board meetings and ensure the appropriate level of interaction among Board members, subsidiary Board members and Senior Management;
3. Ensure a balance composition of skills, knowledge and experience within the Board and an effective working, reporting and communication mode is present;

4. Ensure that material matters in respect of the business or governance of the Group or the Company are tabled and ventilated effectively for Board decision making;
5. Monitor the performance of the individual and collective roles of the directors and the Board;
6. Maintain a regular and constructive dialogue with the Managing Director/Group Chief Executive Officer and Senior Management in respect of all material matters affecting the Group and the Company and to consult with the other Board members promptly and appropriately;
7. Chair all meetings with the shareholders i.e. AGM and Extraordinary General Meeting (“EGM”);
8. Lead the Board in adoption and implementation of good corporate governance practices in the Group; and
9. Ensure that general meetings support meaningful engagement between the Board, Senior Management and shareholders. The engagement should be interactive and include robust discussion on among others the Company’s financial and non-financial performance as well as the Company’s long-term strategies.

Responsibilities of MD/Group CEO

The MD/Group CEO provides executive leadership and is accountable to the Board for the implementation of the strategies, objectives and decisions of the Board within the framework of delegated authorities, values and policies of the Group and the Company. The MD/Group CEO is appointed by the Board on recommendation of the CNRC. The MD/Group CEO is accountable to the Board, amongst other things, on the following:

1. The MD/Group CEO has a direct reporting line to the Board and not to the shareholders of the Company. The MD/Group CEO is the link between the Board and management of the Group and the Company;
2. Develop and recommend to the Board the long-term strategy and vision of the Group and the Company and its quantified expression by way of critical performance targets;
3. Develop and recommend to the Board the annual business plans, budgets, actions plans and risk management policies that support the Group and the Company’s long-term strategy that reflect current business environment and trends;
4. Ensure management of day-to-day business affairs, continuous improvement and development, maintenance, implementation, formulation and achievement of corporate policies and strategies sanctioned by the Board;
5. Ensure that the Group and the Company has an effective management team and structure, management development program and succession plans; and
6. Ensure that effective internal controls of the Group and the Company and governance measures are deployed.

Responsibilities of Independent Director

Independent Directors are those who have no direct or indirect pecuniary interest in the Group and the Company other than the remuneration for their services as members of the Board and Board Committees of the Group and the Company which has defined under Paragraph 1.01 of the MMLR.

1. An Independent 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 judgement, and who otherwise meet the criteria for independence.
2. The Independent Directors provide independent judgement, experience and objectivity without being subordinated to operational considerations.
3. The Independent 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.
4. The views of the Independent Directors should carry significant weight in the Board's decision-making process.
5. Independent Directors shall meet among themselves at least annually to discuss among others strategic, governance and operational issues.

The Board undertakes to assess the independence of the Independent Directors on an annual basis.

Responsibilities of Senior Independent Director

The role of the Senior Independent Director include, amongst others:

- act as a sound board for the Chairman;
- ensure all independent directors have opportunity to input on the agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by management that is necessary or appropriate for the independent directors to perform their duties effectively;
- consult the Chairman regarding board meeting schedules to ensure the independent directors can perform their duties responsibly and with sufficient time for discussion of all agenda items;
- serve as the principal conduit between the independent directors and the Chairman on sensitive issues; and
- serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels of contact with the Chairman or MD/Group CEO.

Responsibilities of Individual Director

Directors are accountable to their shareholders and should use their best efforts to ensure that the Group and the Company are properly managed and constantly improved so as to protect and enhance shareholder value, and to meet the Group and the Company's obligations to all parties with which the Group and the Company interacts, i.e. its stakeholders. Their responsibilities include, amongst others, the following:

1. Directors are appointed to act in the interests of the Group and the Company and an important area of their legal responsibilities derives from trust law - the fiduciary duty to act in the interests of the Group and the Company, which includes the interests of the shareholders;
2. They are under a duty to exercise reasonable skill and care in the discharge of their functions;
3. Directors are required to exercise the utmost good faith towards the Group and the Company in all their actions and to act honestly in the exercise of the powers and in the discharge of the duties of their office;
4. Directors are expected to be actively involved not only in Board meetings but general meetings of shareholders;
5. Acquiring knowledge about the business of the Group and the Company, the statutory and regulatory requirements affecting effective discharge of their duties, being aware of the physical, political and social environment in which it operates;
6. Assisting the Chairman in providing the Group and the Company with effective leadership; and
7. Being available to advise management between Board meetings when necessary.

Responsibilities of the Management

The responsibilities of the Management, in general, are:

1. Developing and proposing for the Board's approval, strategic plan and annual budget for the Group to ensure achievement of the objectives set by the Board;
2. Communicating to the staff on any decision made and implementing the strategic plan that approved by the Board to ensure that the objectives of the Group and the Company approved by the Board are met;
3. Running and managing the operations of the Group and the Company in a proper manner and in accordance with the Board approved strategic plan within the limit of authority set by the Board;
4. Setting up of an appropriate and effective internal control measures and risk management framework to identify, assessing, managing and monitoring key risks;
5. Assisting the Board in the establishment of Group and Company's policies by developing such policies for the Board's review and approval, and for Group and Company to adopt and implement the approved policies;
6. Developing effective management information and internal control systems of the Group and the Company to ensure that integrity and adequacy of the systems are intact;
7. Reporting to the Board periodically on the performance of the Group against the approved plan and budget as well as other matters that is under the Board's purview and enable the Board to discharge its responsibilities effectively; and
8. Reporting to the Board on matters that required their decision/approval or of significance to the Group and the Company.

Responsibilities of Board Committees

The Board has set up different Board committees with different functions to assist the Board in discharging its fiduciary duty. These committees do not make decision on behalf of the Board, the Group and the Company. It is each committee's duty to review the matter under its purview and make the necessary recommendation to the Board for its consideration and decision making. The Chairman of the Board shall not be a member of the Audit and Risk Management Committee ("ARMC") and CNRC. The Board shall delegate their power and duties to the Board Committees which shall operate within its Terms of Reference ("TOR"). A summary of the terms of reference of ARMC and CNRC are published on the Company's website.

Executive Committee ("EXCO")

The EXCO shall comprise the MD/Group CEO, Executive Director, Chief Financial Officer, Chief Operating Officer, and such other members as recommended by the Chairman of the EXCO and endorsed by the Board.

The duties and responsibilities of EXCO are as follows:

1. EXCO represents the Group in engaging external parties, such as investors, strategic partners, bankers and other financial advisers for matters related to corporate exercise, investment and business expansions.
2. The Board will give mandate to the EXCO to make decisions on investment/business development before getting prior consent/approval from the Board. This is to enable the EXCO to make swift decisions that are beneficial for the Group. However, EXCO is obliged to update the Board on the progress soonest possible. A proper documentation and presentation should be made to the Board in the meetings of Board.
3. EXCO will come up with a long-term expansion blue print for the Group.
4. In-depth due diligence review needs to be done before any investment decision is made.
5. EXCO plays the role to form an Execution Team and appoint the team lead for any development projects. For instance, in a project to set up an operational entity in a particular country, EXCO needs to identify and select the suitable candidates to execute the project. EXCO members are recommended to participate in the Execution Team to ensure the project does not deviate away from the Group's long-term plan and appropriate allocation of resources can be made effectively.
5. EXCO should meet on monthly basis or whenever necessary to ensure all developments are on track with the Group's long-term plan. Project lead will be called in if necessary, to update on the status of their respective projects.
6. Any new projects/developments will be presented to EXCO during the meeting.
7. EXCO should fulfil the Top Management's roles and responsibilities as prescribed in the Section 5.1.2 of ISO 37001: 2016 Anti Bribery Management System in compliance with anti-bribery and related laws.

8. EXCO will undertake all such other responsibilities as may be required and necessary and as directed by the Board.

BOARD PROCESSES

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

Scheduling of Board meetings

The Board meets at least five (5) times every year based upon a schedule set on yearly basis.

Apart from the pre-scheduled Board meetings, the Board may for the purpose of urgent matters, convenes ad-hoc Board meetings at any time during the year.

Agenda item for Board meetings

The agenda of the meeting is decided upon focusing on matters that requires Board's decision, approval, directions and on items that are truly the Board's responsibility.

The Secretary shall discuss with the Chairman/MD/Group CEO on the agenda items. The final agenda for the meeting would be given to the Chairman/MD/Group CEO for his approval and clearance.

Any Director may request for inclusion of any matter in the agenda for a particular Board meeting. The request must be sent seven (7) days before the meeting for the Chairman/MD/Group CEO's approval. When there is a need to table a report, a brief finding and/or recommendations shall be prepared.

Board meeting materials distributed in advance

The MD/Group CEO will inform/remind the relevant head of department to submit their report/materials on presentation to the Secretary at least seven (7) days before the meeting, if necessary.

The notice of each Board meeting together with the agenda and comprehensive Board papers are circulated to all Directors at least five (5) business days prior to the meeting. Exceptions may be made for certain ad hoc or urgent instances when Directors unanimously consent to short notice.

All meeting materials as well as the notice and agenda will be compiled in a file of Board papers and to be distributed to all the Directors within an appropriate timeline for perusal. In case where the subject matter/agenda item is price sensitive or otherwise confidential or in a state of flux, the presentation is directly made at the meeting.

The Management is responsible for providing the Board with the required information in an appropriate and timely manner. If the information provided by the Management is insufficient, the Board will make further enquiries where necessary to which the persons responsible will respond as fully and promptly as possible.

Convening a Board Meeting

The quorum necessary for the transaction of business of the Directors shall be fixed by the Directors from time to time and unless so fixed, the quorum shall comprise two (2) Directors.

Any Director may participate at a Board meeting or Committee meeting by way of telephone and video conferencing or by means of other communication equipment in which event such Director shall be deemed to be physically present at the meeting and shall be taken into account in ascertaining the presence of a quorum at the meeting.

Questions arising at any Board meeting shall be decided by a majority of votes, each Director having one (1) vote and in case of an equality of votes, the Chairman shall have a second or casting vote except when only two (2) Directors are present and form a quorum or only two (2) are competent to vote on the question at issue, the Chairman shall not have a casting vote.

The Board shall record its deliberation, in terms of the issues discussed, including any dissenting views and if any Director had abstained from voting or deliberation on a particular matter, and the conclusion thereof in discharging its duties and responsibilities.

Draft minutes of each Board and the Board Committees' meetings shall be prepared by the Company Secretary promptly following the meeting. The draft minutes shall be circulated to Directors and the Board Committees for their review and comments.

Access to Information and Independent Professional Advice

All Directors have the same right of access to all information and Senior Management within the Group whether collectively as a Board or in their individual capacity in furtherance of their duties and responsibilities as Directors of the Company subject to a formal written request to the Chairman furnishing satisfactory and explicit justification for such request.

The Board as well as any Director is entitled to obtain independent professional advice relating to the affairs of the Group and the Company or to his or her responsibilities as a Director at the Company's expenses.

COMPANY SECRETARY

1. The appointment and removal of the Company Secretary is a matter for the Board as a whole. The Board recognises the fact that the Company Secretary should be suitably qualified and capable of carrying out the duties required of the post.
2. The key role of the Company Secretary is to provide unhindered advice and services for the Directors as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.
3. Other primary responsibilities of the Company Secretary shall include:
 - advising the Board on matters related to corporate governance and the MMLR;
 - updating the Board on the latest development of the requirements, compliance issues of the Securities Commission Malaysia, Bursa Securities, Companies Act 2016 and other statutory requirements.
 - ensuring that Board procedures and applicable rules are observed;

- maintaining records of the Board and ensuring effective management of the Company's statutory records;
- preparing comprehensive minutes to document Board proceedings and ensuring conclusions are accurately recorded;
- assisting the communications between the Board and Management;
- providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time;
- preparing agendas and co-ordinating the preparation of the Board papers; and
- Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

BOARD AND DIRECTORS' PROFESSIONAL DEVELOPMENT

The Board is required to be kept up-to-date with current business, industry, regulatory and legislative developments and trends that will affect the Group and the Company's business operations.

The Board and its Director's professional development are as follows:

1. Newly appointed Board members are mandated to attend the Mandatory Accreditation Programmes Part I within four (4) months and Mandatory Accreditation Programmes Part II within 18 months from the date of appointment as required under the MMLR of Bursa Securities;
2. Newly appointed Board members, when taking up office, are to attend the Company's induction program, where they are fully briefed on the terms of their appointment, duties and responsibilities. New members will also be briefed on the operations of the Group to increase their understanding of the business and the environment and markets in which the Group operates, including visits to key sites;
3. Formal training and continuous education programs and workshops for the directors encompassing topics on directorship, business, industry, regulatory and legislative;
4. Informal sessions and discussion forums for the directors to share experiences and have constructive deliberations; and
5. All training attended by Directors shall be disclosed in the Annual Report. In special circumstances, valid justifications for non-attendance at any training by Directors for the financial year shall also be disclosed.

ACCOUNTABILITY AND AUDIT

Financial Reporting

1. The Board aims to present a clear and balanced assessment of the Group's and the Company's financial position and future prospects that extends to the annual and quarterly reports.

2. The Board ensures that the annual and interim financial statements are prepared so as to give a true and fair view of the current financial status of the Group and the Company in accordance with the approved accounting standards.
3. It is the practice of the Company 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.
4. It is the requirements for the Group to announce and submit to Bursa Securities its annual reports together with the audited financial statements early as possible within four (4) months after the financial year end closing or the timeline required by the Bursa Securities.
5. 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.

Company Auditors

1. 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 Company auditors through the ARMC.
2. The ARMC also keeps under review the scope and results of the audit and its cost effectiveness as well as the independence and objectivity of the Company auditors. The ARMC ensures that the Company auditors do not supply a substantial volume of non-audit services to the Group and the Company and any practice that departs from this has to be disclosed in the ARMC Report and the sum payable for non-audit services to be disclosed in the annual reports.
3. Re-appointment of the Company auditors is subject to approval of shareholders at AGM. The Company auditors have to retire during the AGM every year and be re-appointed by shareholders for the ensuing year.

Internal Controls and Risk Management

1. The Board has overall responsibility of maintaining a system of internal controls, which provides reasonable assurance of effective and efficient operations and compliance with laws and regulations as well as with Group's internal policies and procedures.
2. The Group has a well-resourced internal audit function, which critically reviews all aspects of the Group's and Company's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditure and internal controls of all business and support units and subsidiaries are undertaken on a regular basis. The Head of Internal Audit (in-house) has direct access to the Board through the Chairman of the ARMC.
3. The Board ensures the system of internal controls and enterprise risk management are reviewed on a regular basis by the ARMC.
4. The ARMC receives reports regarding the outcome of such reviews on a regular basis.

RELATIONSHIP WITH OTHER STAKEHOLDERS

1. In the course of pursuing the vision and mission of the Group, the Board recognises that no business organisation can exist by maximising shareholders value alone. In this regard, the Group will take into consideration the needs and interests of other stakeholders as well.
2. The Board is responsible for:
 - a) ensuring the Group's strategies promote sustainability;
 - b) ensuring the rights of other stakeholders are not compromised;
 - c) ensuring a proper policy had been in place by the Group which enable effective communication not just with shareholders, but with all stakeholders;
 - d) establishing policies governing the Group's relationship with other stakeholders and the broader community; and
 - e) establishing and maintaining environmental, employment and occupational health and safety policies.

DISCLOSURE AND CONFLICT OF INTEREST

The Constitution of the Company stipulates that every Director shall comply with the provisions of Sections 221 and 219 of the Companies Act 2016 in connection with the disclosure of the following:

1. interest in shares, debentures, participatory interests, rights, options; and
2. interest in any contract or proposed contract with the Company.

The guidelines for the Board and its Directors on conflict of interest are, among others, the following:

1. Directors must act in good faith at all times, where believing to be in the best interest of the Group and the Company. The definition of "interest" shall bear the meaning provided in Section 8 of the Companies Act 2016;
2. Directors have a general duty to make disclosure by giving written notice within a stipulated period of the Company of such events and matters relating to himself as may be necessary or expedient to enable the Group and the Company or its officers to comply with the Companies Act (or similar legislation) and other relevant legislative requirements; and
3. No director may vote in respect of any other contract or proposed contract or arrangement in which he is interested, directly or indirectly, nor any contract or proposed contract or arrangement with any other company in which he is interested, directly or indirectly, either as an officer of that other company or as a holder of shares or other securities in that other company.
4. Should there be an actual potential or perceived conflict of interest between the Company or a related corporation and a Director, or an associate of a Director such as a spouse or other family members, or a related company, the Director involved shall make full disclosure and act honestly in the best interest of the Company.

5. An actual and potential or perceived conflict of interest shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in good faith and with due honesty.

REVIEW OF BOARD CHARTER

The Board Charter will be reviewed annually and as and when required, and updated in accordance with the needs of the Group and any new regulation that may have an impact on the discharge of the Board's responsibilities.

The Board Charter shall be made available on the Company's website.