

MENTIGA CORPORATION BERHAD

(Company No: 10289-K)

BOARD CHARTER

Draft: 7 February 2019

Adopted by Board on : 20 February 2019

Issued on : 20 February 2019

A. INTRODUCTION

1. This Charter is prepared for the Board of Directors (“Board”) of Mentiga Corporation Berhad (“Mentiga” or “the Company”) and its subsidiaries (collectively the “Group”), insofar as it is applicable, to provide a concise overview of:
 - The roles, functions, responsibilities & powers of the Board and the senior management
 - An awareness to the various legislations and regulations affecting their conduct
 - The powers delegated to various board committees of Mentiga
 - The policies and practices of the Board in respect of matters such as corporate governance, code of conduct, conflicts and declaration of interest, board meeting procedures, appointment & assessment of directors

2. This Board Charter is subject to the provisions of the Companies Act 2016 (“Companies Act”), the Constitution of Mentiga, the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa”), the Malaysian Code on Corporate Governance 2017 (“MCCG 2017”) and any other applicable law or regulatory requirements.

B. OBJECTIVE The Board Charter sets out the roles and responsibilities of the Board, Board Committees, individual directors and management as well as the key values, principles and underlying beliefs and practices of the Company on which the Company’s policies and strategies are based on.

CONTENTS

1. The Board of Directors
2. Board Composition
3. Role & Responsibilities of the Board
4. Board Renewal
5. New Appointments
6. Review of Board Performance
7. Board Remuneration
8. Conflicts & Declaration of Interests
9. Delegation to Management
10. Delegation to Committees
 - 10.1.1 Audit Committee
 - 10.1.2 Nomination Committee
 - 10.1.3 Remuneration Committee
 - 10.1.4 Risk Management Committee
11. Board Operational Standards & Policies
12. Ethical Standards & Code of Conduct
13. Administrative Matters

1 BOARD OF DIRECTORS

- 1.1 The Board is charged with leading and managing the Company in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Company. The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Company's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.
- 1.2 The Board understands that the responsibility for good Corporate Governance rests with them and therefore strives to follow the principles and best practices stated in the MCCG 2017. The Board includes a narrative statement in its Company's Annual Report on the extent of compliance with the principles and best practices in Corporate Governance pursuant to Paragraph 15.25 of the MMLR.
- 1.3 The Company complies with the various guidelines issued by Bursa and the Securities Commission relating to disclosure and internal audit functions. In carrying out its responsibilities and powers as set out in this Charter the Board will at all times:
 - Maintain good corporate governance standards
 - Act honestly, fairly and diligently
 - Act in accordance with laws and regulations
 - Avoid or manage conflicts of interests
 - Achieve and maintain community respect as a good corporate citizen

2. BOARD COMPOSITION

2.1 Principles

The composition of the Board shall be determined using the following principles:

- a. The number of board members shall be governed and shall not exceed the maximum as set out in the Company's Constitution.
- b. The composition of the Board viz-a viz executive versus independent directors shall at all times be in compliance with the MMLR.
- c. The Board shall comprise members with an appropriate range and mix of skills, experience, expertise and diversity. The criteria for appointment of new directors shall be reviewed and recommended by the Nomination Committee.
- d. The Chairman and Managing Director (or any other position equivalent to it) are required to be held by separate persons with clear division of responsibilities between them.
- e. The position of the Chairman of the Board shall be filled by a non-executive director. This does not prevent another director from chairing all or part of a meeting in the absence of the Chairman.
- f. The Chairman and/or the Managing Director are the official spokespersons for the Board unless otherwise determined.

2.2 Board Review & Assessment

The Nomination Committee reviews and recommends the criteria for appointment of new directors. In addition the Board periodically conducts a formal review of its own performance as described in section 6. The various mechanisms will act as a regular check on the composition of the Board and the appropriateness of the mix of skills, experience, expertise and diversity of the Board. The Board shall also regularly review its membership to ensure the Board remains relevant and should formalise its succession planning practices.

2.3 Role of Chairman

The Chairman presides over meetings of Directors and is responsible for instilling good corporate governance practices and is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The Chairman is responsible for:

- a) Providing leadership for the board so that the board can perform its responsibilities effectively;
- b) Leading the Board in setting the values and standards of the Company;
- c) Maintaining a relationship of trust with and between the Executive and Non-Executive Directors;
- d) Ensuring the provision of accurate, timely and clear information to Directors;
- e) Ensuring appropriate steps are taken to provide effective communication with shareholders and relevant stakeholders and that their views are communicated to the board as a whole;
- f) Arranging regular evaluation of the performance of the Board, its Committees

- and individual Directors;
- g) Facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations be maintained between Executive and Non-Executive Directors;
 - h) Meets with other non-executive directors without the presence of other executive directors or senior management; and
 - i) Provides feedback to each individual director in relation to his/her contributions and performance, as appropriate.

The Chairman, in consultation with the Group Managing Director (GMD)/Chief Executive Officer (CEO) and the Company Secretary, sets the agenda for Board meetings and ensures that all relevant issues are on the agenda. The Chairman should ensure that Board members receive complete and accurate information in a timely manner. The Chairman shall also be responsible for:

- a) Leading the Board meetings and discussions;
- b) Encouraging active participation and allowing dissenting views to be freely expressed; and
- c) Managing the interface between Board and management.

The Chairman is responsible for managing the business of the Board to ensure that:

- all Directors are properly briefed on issues arising at Board meetings.
- sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for the Board discussion.
- the issues discussed are forward looking and concentrates on strategy.

2.4 Independent Directors

2.4.1 Criteria

The Board recognises that various principles and factors are relevant in determining independence and considers that true independence is a matter of judgement in a particular circumstance. The criteria for determination of independence of a director will be guided by the MMLR.

The Board may appoint a Senior Independent Director to whom shareholders' concern may be conveyed.

2.4.2 Tenure

The tenure of an Independent Non-Executive Director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Non-Executive 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 should justify and seek annual shareholders' approval. If the Board continues to retain the Independent Director after the twelfth (12) year, the Board should seek

annual shareholders' approval through a two-tier voting process. Under the two-tier voting process, shareholders' votes will be cast in the following manner at the same shareholders' meeting:

- Tier 1: Only the Large Shareholder(s) of the Company votes; and
- Tier 2: Shareholders other than Large Shareholder(s) votes.

Large Shareholder means a person who:

- is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company; or
- is the largest shareholder of voting shares in the Company; or
- has the power to appoint or cause to be appointed a majority of the Directors of the Company; or
- has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the vote of Tier 1 and a simple majority of Tier 2. If there is more than one Large Shareholder, a simple majority of votes determine the outcome of the Tier 1 vote.

The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. However, the resolution is deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

3. ROLE OF THE BOARD

3.1 Key Responsibilities (of Board / GMD/ CEO & Definition of Authority Limits)

Duties of the Board include establishing the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the Management and monitoring the performance of the Management for the benefit of the shareholders and other stakeholders of the Company. The Board is accountable to shareholders for the performance of the Group. In furtherance of its duties the Board, whether as a full Board or in their individual capacity under an agreed procedure can take on independent professional advice at the Company's expense. All Directors have access to the advice and services of the company secretary.

The Board assumes the following specific duties:

- Promoting together with senior management, good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- Reviewing, challenging and deciding on management's proposals for the Company and monitor its implementation by management;

- Ensuring that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability; establishing and reviewing the strategic direction of the Company;
- Overseeing and evaluating the conduct of the Company's businesses including significant actions that are outside the Company's normal course of business;
- Identifying principal risks, overseeing and ensuring that the risks are properly managed, controlled and mitigated;
- Ensuring that key senior management has the necessary skills and experience, and there are measures in place to provide for orderly succession of the Board and key senior management;
- Establishing a succession plan including appointing, training, fixing the compensation of and where appropriate replacing key senior management;
- Developing and implementing an investors relations programme or shareholder communication policy;
- Reviewing the adequacy of the internal control systems and management information systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines and ensuring that there is a sound framework for internal controls and risk management.
- Understanding the principal risks of the Company's business and recognising that business decisions involve the taking of appropriate risks;
- Setting the risk appetite within which the board expects management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;
- Establishment of the Code of Ethics and Code of Conduct of the Company;
- Ensuring the Company has appropriate corporate disclosure policies and procedures; and
- Ensuring that the Group has in place a policy to enable effective communication with its stakeholders. This policy should include how feedback received from its stakeholders is considered by the Group when making business and other decisions; and
- Ensuring the integrity of the Company's financial and non-financial reporting.

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

- Conflict of interest issues relating to a substantial shareholder or a Director;
- Material acquisitions and disposition of assets not in the ordinary course of business;
- Investments in Capital projects;
- Authority levels;
- Treasury policies;
- Risk management policies; and
- Key human resource issues.

3.2 Senior Appointments

The Board will consider, with the benefit of recommendations from Board Committees:

- a. The appointment, terms of appointment, delegation of authority to, review of performance of and removal of the Managing Director and other key senior management staff.
- b. The appointment, terms of appointment and review of performance and removal of other executive directors.
- c. The appointment and review of performance and removal of the Chief Financial Officer or Group Financial Controller.
- d. Succession planning for the Managing Director, other key senior management staff and their direct reports.
- e. The appointment, review of performance and removal of the Company Secretary.

3.3 Relationship with Senior Management

- a. Review and approve the organisation chart for senior management.
- b. Evaluate and reward senior management including the remuneration and incentives offered.
- c. Assess the performance of the Group.

3.4 Business Strategy

- a. Approve the annual budget and strategic plans
- b. Evaluate the performance of the Group against strategies and business plans
- c. Assess the suitability of the Company's overall strategies, business plans and resource allocation.
- d. Approve the capital and operating expenditure budget and any alterations to its.
- e. Set the authority limits governing capital and operating expenditure and the Group's resource allocation.

3.5 Relationship with Shareholders

To ensure that shareholders are well informed the Company has adopted the following procedures:

- i. Shareholders can gain access to information on the Company through the Company's website www.mentiga.com.my;
- ii. The Company's annual reports and financial results are also available on the Company's website;
- iii. All announcements made to the Bursa along with related information are posted on the Company's website after they have been made to Bursa; and
- iv. Shareholders are encouraged to participate at the general meetings and to communicate and interact with the Board on the Group's performance and

other matters of concern or interest. At general meetings shareholders are given opportunity to seek clarification and provide feedback on any matters pertaining to the business and financial performance of the Group.

The Board encourages shareholder participation at general meetings and promotes effective communication and proactive engagements with shareholders.

3.6 Financial Matters

- a. Approve the annual and interim reports of the Company
- b. Approve the accounting policies
- c. Approval of the appointment of the Internal Auditor and audit plan
- d. Approval of major borrowings or giving of security over the assets of the Group.
- e. Acceptance of audit reports including management letters.

3.7 Other matters

- a. Approval of donations and sponsorships above approved limits.

4. BOARD RENEWAL

- 4.1 All directors are required to submit themselves for re-election at least once every three years or such earlier time as provided under the Company's Constitution.
- 4.2 Re-election is subject to shareholders approval. When recommending a director for re-election the Board will balance its composition, skills and competencies with the tenure, performance, skills and competencies of the incumbent director.
- 4.3 The Nomination Committee will assist the Board annually by reviewing the Board's composition and tenure and makes its recommendation to the Board on all nominations.

5. NEW APPOINTMENTS

- 5.1 The Nomination Committee sets and reviews the criteria for appointment of new directors and appointments to Board Committees. Upon the appointment of a new director by the Board the new director will undergo an induction programme where he/she will be advised of the Company's vision and mission, its philosophy and nature of business, current issues within the Company, the corporate strategy and business plans as well as his/her principal duties and responsibilities and briefed on the restrictions to which he/she is subject to in relation to price-sensitive information and dealings in the Company's securities. All new directors are provided with appropriate briefings on the Company's affairs. The Company Secretary is primarily responsible for the induction programme with appropriate assistance from the other senior directors.

5.2 A director's fundamental duty is to exercise sound business judgement according to what he/she believes to be in the best interests of the Company. Each independent director is expected to serve on at least one Committee of the Board. The Company views an independent director's service on the boards of more than five other significant for-profit or not-for-profit entities as being inconsistent with the director's ability to discharge his/her duties as an independent director of the Company.

5.3 **Criteria for Board Members**

- a. A candidate for appointment as a director of the Company should have several years of successful high-level executive experience in a significant for-profit business entity during which the candidate was responsible for strategic decisions involving operational, technological, marketing, financial, human resource and/or organisational development matters. The candidate should have professional skills that complement the skills of existing board members. The Board will recruit new directors who can add strength in areas that are important to the Company's long-term success and who possesses skills that are appropriate for the current needs of the Board.
- b. Each candidate nominated shall first be assessed by the Nomination Committee in consultation with the Chairman and the Managing Director and be subject to the review of the remuneration package by the Remuneration Committee. The candidate appointed to the Board will be subject to retirement at the forthcoming Annual General Meeting following his/her appointment and would be subject to re-election by the shareholders of the Company.
- c. The Board supports the management's efforts to build a diverse organisation throughout the Group. The Group's aims to attract and develop a highly qualified and diverse workforce and works to ensure that all selection decisions are based on merit and that all recruitment activities are fair and non-discriminatory. Senior positions are very demanding for all, more so with regards to the core businesses of the Group. The Board acknowledges and supports the importance of diversity, including gender, on the Board and aspires to have a minimum of 30% female representation on the Board by 2020. Subject to the suitability of candidates who have the requisite expertise in the core business segment of the Group, we will appoint new directors who fit the skills criteria and gender balance when recruiting additional directors and/or filling vacancies which arises in the Board.
- d. Directorships held by any Board member at any one time shall not exceed the limits as set out in the MMLR. Executive Directors should not take on any new appointments to the Board of other listed companies without the prior notification and consent of the Chairman of the Company.

6. REVIEW OF BOARD PERFORMANCE

6.1 Review of Board

The Board is responsible for establishing performance criteria including job description and key performance indicators. To remain relevant, the effectiveness of the Board, its Committees and each individual Director should be annually reviewed and disclosed in the annual report as prescribed under the MMLR and the MCCG 2017. The Board should engage professional, experienced and independent party(ies) periodically to facilitate objective and candid Board evaluation.

6.2 Review of Independent Directors

The Board is responsible for establishing the criteria and policy on independence of directors and is to formally conduct an annual review on the independence of directors and tenure of the independent directors as advised by the Nomination Committee.

The Board should also consider the need to appoint a Senior Independent Non-Executive Director, upon the recommendation by the Nomination Committee. In considering the candidate for the position of a Senior Independent Non-Executive Director, the NC shall assess the required knowledge and other qualities necessary for the effective discharge of his/her responsibilities.

6.3 Review of Key Senior Management

The Board is responsible for establishing performance criteria including job description and key performance indicators as well as corporate objectives which is to be met by the Key Senior Management. The Board is to formally conduct an annual performance review as advised by the Nomination Committee.

6.4 Board training program

The Board believes in educational/training programmes to update the Board in relation to new developments pertaining to laws and regulations and the changing commercial environment in which the Group operates which may affect the Board and the Group.

In addition to the Mandatory Accredited Programme (MAP) as required by Bursa, Board members are also encouraged to attend training programmes which are relevant to the Company's operations and business.

All Directors shall ensure that they keep abreast of regulatory changes, other developments and broad business trends. The Board must evaluate the training needs of its Directors on a continuous basis and ensure all Directors have access to

appropriate continuing education programmes. The Board will disclose in the Annual Report the trainings attended by the Directors.

7. DIRECTORS' REMUNERATION

- 7.1 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.
- 7.2 The level of remuneration for the GMD/CEO 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.
- 7.3 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.
- 7.4 No Director other than the Managing Director and Executive Directors shall have a service contract with the Company.
- 7.5 A formal review of the Directors' remuneration is undertaken annually and there is adequate disclosure in the Annual Report with a note on the remuneration of Directors.

8. CONFLICTS & DECLARATION OF INTERESTS

The Companies Act, 2016 and the MMLR imposes obligations on directors in relation to disclosure of interests. Specifically these provisions and regulations relate to:

- a. Material personal interest in any matter relating to the affairs of the Company for which a director will be required to give notice to other directors of his interest except in certain circumstances specified in the provisions or regulations.
- b. Where a director has a material personal interest in any matter that is being considered at a board meeting he/she must not, except with the approval of the Board be present, while the matter is being considered or vote on the matter.
- c. Disclosure of details of his/her interest or change in interest in the Company's securities on appointment within the prescribed period (or such lesser period as set out in any specific agreement)

Each director has a duty to maintain the confidentiality of information he/she obtained or learnt by virtue of his/her position as director. Disclosure of such information by the director should only be made after consultation with the Chairman or the Board.

The director does not participate in deliberations of the Board or a Board Committee on matters in which he is or is deemed interested.

9. DELEGATION TO MANAGEMENT

The Board retains the ultimate responsibility for the strategic direction and control of the Group. The Board delegates management of the Company's resources to the key senior management team under the leadership of the Managing Director to deliver the strategic direction and goals determined by the Board. The Board will monitor the performance of the key senior management and the Managing Director will annually conduct a formal performance review on the senior management and report the same back to the Board.

10. DELEGATION TO COMMITTEES

The Board establishes Committees to help discharge its responsibilities. For each standing Committee the Board adopts a formal Terms of Reference setting out the matters relevant to the composition, role, function, responsibilities and administration of such Committees.

The Board may appropriately delegate its authority to Committees or Management, it should not abdicate its responsibility and should at all times exercise collective oversight of the Committees and Management. The Board should not delegate matters to a Committee or Management to an extent that would significantly hinder or reduce the Board's ability to discharge its functions.

The Board has, as at the date of this Charter, established the following committees and amongst others they have been charged with the following:

- Audit Committee
 - i. Ensure the financial statements comply with applicable financial reporting standards
 - ii. Establish policies and procedures to assess the suitability and independence of external auditors
 - iii. Establish policies and procedures governing circumstances for contracts of non-audit services to be entered into with external auditors
 - iv. Review and assess the key business risks of the Company and the risk management framework of the Group
 - v. Review and implement the internal control systems of the Group
 - vi. Review and assess the competency of the internal audit function of the Group

- Nomination Committee
 - i. To conduct regular review of the structure, size and composition (including the skills, knowledge and experience) of the Board of Directors of the Company;

- ii. To identify candidates suitably qualified to become Board members and recommends to the Board, candidates for all directorships in the Company and Group to be filled by the shareholders or the Board;
 - iii. To consider and make recommendations on candidates for directorships proposed by the Chief Executive Officer and, within the bounds of practicability, by any other senior executive;
 - iv. To recommend directors to fill the seats on board committees; and
 - v. To make recommendations on the nomination policy, succession planning framework, talent management, training programmes and/or any other related matters for Directors and senior management and to oversee succession planning for the Board Chairman and directors.
- Remuneration Committee
 - i. To establish a formal and transparent procedure for developing remuneration policy for the Directors, Managing Director (“MD”) and senior management and ensuring that compensation is competitive and consistent with the Company’s business strategy and long-term objectives;
 - ii. To provide assistance and to recommend to the Board the remuneration framework for the Non-Executive Directors and Non-Executive Chairman; and
 - iii. To set the policies and procedures on the remuneration framework, including reviewing and making recommendations to the Board the remuneration, terms of employment and reward structure for Executive Directors, the MD and key senior management positions of the Company and Group.
- Risk Management Committee
 - i. To review and recommend the Group’s risk management policies and strategies for the Board’s approval. This includes reviewing major investment business cases and Management’s assessment of the key associated risks, including funding options and costs, and investment returns prior to the Board’s approval; and
 - ii. To monitor the implementation of post-spend transactions in accordance with established thresholds in the approved Group Limits of Authority, which includes capital expenditure, acquisitions and project-based operational costs.
- ESOS Committee
 - i. Administrating and regulating the Company’s Employee Share Option Scheme.
- Tender Committee
 - i. Establishing formal policies and procedures with regards to the administration of tenders applied and given by the Company.

All Committees shall have access to the appropriate external and professional advice needed to assist the Committees in fulfilling its role.

The Board also delegates specific functions to Ad Hoc Committees on a “as need” basis. The terms of reference and powers delegated to any such committee will be agreed by the Board at the time the Committee is established as set out in the Board resolutions.

11. BOARD OPERATIONAL STANDARDS & POLICIES

11.1 Board Meetings

11.1.1 Frequency

- a) The Board meetings shall be held not less than four (4) times a year and at such other times as the Chairman of the Committee considers necessary or appropriate to facilitate the discharge of their responsibilities. Members of the Management who are not Directors may be invited to attend and speak at meetings on matters relating to their sphere of responsibility;
- b) A meeting shall normally be conducted face-to-face to enable effective discussion. However, meetings may also be conducted via telephone conferencing, video conferencing or other appropriate means as determined by the Board; and
- c) Circular Resolutions signed by all the members shall be valid and effective as if it had been passed at a meeting of the Committee.

11.1.2 Quorum

The quorum for a Board meeting shall be minimum two (2) Directors. In the absence of the Chairman, the members present shall elect a Chairman from amongst them to chair the meeting.

11.1.3 Attendance

The Company Secretary attends meetings of the Board and Board Committees as secretary. Key Senior Management are invited to attend meetings (or parts of meetings) from time to time where the Board requires their involvement or assistance.

11.1.4 Meeting Procedure

The Board shall regulate its own procedure, in particular:-

- a) the calling of meetings;
- b) the notice to be given of such meetings:

- i) Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each Director and any other person required to attend, no later than seven (7) calendar days before the date of the meeting;
 - ii) Reasonable time should be given for the Board and to other attendees as appropriate, to consider all relevant papers and materials prior to the Board meeting; and
 - iii) The Company will provide the directors with timely and quality information in a form and manner appropriate for them to discharge their duties effectively. The Company Secretary will supervise the filing and storage of all board papers.
- c) the voting and proceedings of such meetings:
 - i) For the avoidance of conflict of interest, a Director shall abstain from participating in discussions and decisions on any matters involving him/her; and
 - ii) Matters arising at any meeting shall be decided by a majority vote of the Directors present, each Director having one (1) vote. In the event of equality of votes, the Chairman of the Board shall have a second or casting vote. However, at meetings where two (2) directors are present or when only two (2) directors are competent to vote on an issue, the Chairman of the Board will not have the second or casting vote.
- d) Minutes - full minutes of each meeting are kept by the Company Secretary and are available for inspection by any director during office hours. All minutes are signed by the Chairman and entered into the minutes book and are available for inspection by any director.

11.1.5 Confidentiality

All attendees at Board Meetings, whether as officers and/or fiduciaries, are required to keep all information presented to (whether written or oral) or discussed during the meetings confidential.

11.2 Company Secretary

The Board shall ensure that it is supported by a suitably qualified and competent Company Secretary, who plays an important advisory role and fulfils the functions for which he/she has been appointed.

The Secretary is a central source of information and advice to the Board and its Committees on issues relating to sound governance and compliance with laws, rules,

procedures and regulations and advocates adoption of corporate governance best practices affecting the Group.

The roles and responsibilities of the Secretary shall include, but are not limited to the following:

- i. Advising the Board on its roles and responsibilities;
- ii. Advising the Directors on corporate disclosures and compliance with Company and securities regulations and listing requirements including:
 - disclosure of interests in securities;
 - disclosure of any conflict of interest in a transaction involving the Group;
 - prohibition of dealing in securities; and
 - restrictions on disclosure of price-sensitive information.
- iii. Managing processes pertaining to the annual shareholders' meeting;
- iv. Monitoring corporate governance development and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
- v. Serving as a focal point for stakeholders' communication and engagement on corporate governance issues.

The Secretary must keep abreast of, and inform the Board of current governance practices. The Secretary should undertake continuous professional development.

All directors have access to the Company Secretary.

11.3 Independent Advice

Directors are able to obtain the advice of professional advisers, with the prior approval of the Chairman, to assist them to carry out their duties.

11.4 Directors & Officers Liability Insurance

Directors are entitled to an appropriate level of Directors and Officers insurance coverage.

12. ETHICAL STANDARDS & CODE OF CONDUCT

The Board and management are expected to conduct themselves with the highest ethical standards, behave ethically and professionally at all times and to protect and promote the reputation of the Company.

12.1 Strategic Intent

- **Narrow focus** - Focus on business segments where we believe we can produce attractive returns and with a high probability of success.
- **Build financial strength** - Achieve target shareholder equity levels in line with our industry peers and bring gearing down to a conservative level.
- **Improve financial performance** - Aim to deliver a higher level of revenue growth, a lower cost-income ratio, lower losses and higher return on capital.

12.2 Key Values

All directors and staff of the Group are to:

- Act honestly, fairly and professionally in all business dealings
- Foster a culture of integrity
- Work together to promote a safe, ethical and professional workplace.
- Comply with the laws, rules and regulations under which the Company conducts its business
- Respect the local communities wherever the Company operates

The Board is responsible for establishing, compliance and evaluating the effectiveness of the Company's Code of Business Conduct & Work Ethics.

12.3 Fraud & Whistle Blowing Policies

The Board has established a Fraud and Whistle Blowing Policy where Directors or employees are able to report violations of laws, rules and regulations or the Company's Code of Conduct and Ethics and potential ethic violations or non-compliance to appropriate personnel through, amongst other things, a whistleblowing hotline at 09-5173710.

12.4 Corporate Disclosure Policies & Procedures

The Board has established Corporate Disclosure Policies and Procedures where guidelines are set out to regulate communications by the Company both internal and external.

12.5 Sustainability Program

12.5.1 Environment

The Board complies strictly to all environmental laws and regulations. With regards to the new planting and replanting process the Company whenever and wherever possible will strive to reduce the use of chemical fertilisers and will build up property retention ponds to avoid accidental pollution of waterways and rivers.

12.5.2 Community

The Company believes in being a responsible and caring organisation and recognises the importance of the public and community in determining the organisation's agenda. The Company will whenever appropriate contribute to programmes undertaken by the local communities, governmental authorities and related interest groups to facilitate long-term beneficial resource development.

12.5.3 Workplace

The Company recognises that employees are important assets and believes in the constant upgrade of its employees' skills, knowledge and experience via training. The Company also have a program to give cash rewards to the children of its employees who achieve excellent results in the government examinations and those who gain entry into any public and approved private universities and colleges.

The Company has also established a retirement benefit plan for its employees and will provide a lump sum gratuity payment to all employees who reach the retirement age of 55 years for males and 50 years for females.

13. ADMINISTRATIVE MATTERS

13.1 Publication of Board Charter

This Charter will be made available in the website of the Company.

13.2 Review of Board Charter

This Charter and the Terms of Reference of each Committee established by the Board shall be periodically reviewed and updated by the Board taking into consideration the needs of the Group as well as any development in rules and regulations that may have an impact on the discharge of the Board's duties and responsibilities..
