



DESTINI BERHAD
[Registration No. 200301030845 (633265-K)]
(Incorporated in Malaysia)

BOARD CHARTER

1. OVERVIEW

The Board of Directors ("the Board") of Destini Berhad ("the Company") collectively leads and is responsible for the success of the Company and its subsidiaries and associate companies ("the Group") by providing entrepreneurial leadership and direction as well as supervision of the management.

- a) The Board is the focal point of the Company's Corporate Governance system;
- b) The business and affairs of the Company is managed by the Directors within the powers under the Company's Constitution and Companies Act 2016 (the "Act");
- c) All Directors shall exercise their powers for proper purpose and in good faith in the best interest of the Company; and
- d) This Board Charter shall constitute and form an integral part of each Director's commitments, duties, roles and responsibilities.

2. OBJECTIVES

This Board Charter is subject to the provisions of the Companies Act 2016 ("Companies Act"), the Constitution of Destini Berhad ("Destini" or "Company"), the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Malaysian Code on Corporate Governance 2021 ("MCCG") and any other applicable law or regulatory requirements.

This Board Charter sets out:

- a) The role, functions, composition, operation and processes of the Board;
- b) Duties and responsibilities of the Directors; and
- c) Principles and practices of good Corporate Governance that must be applied in all their dealings with and on behalf of the Company.

3. BOARD STRUCTURE

3.1 Board Balance and Mix

- a) The Company's Constitution provides for a minimum of not less than two (2) directors but not more than fifteen (15) directors.

- b) In accordance with the MMLR, the Company must ensure that at least two (2) directors or one-third (1/3) of the Board of Directors of the Company, whichever is the higher, are independent directors. 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.
- c) In the event of any vacancy in the Board, resulting in non-compliance with the LR, the Company must fill the vacancy within three (3) months.
- d) All newly appointed directors shall retire and be re-elected by the shareholders at the next annual general meeting of the Company and shall then eligible for re-election.

3.2 Tenure of Directors

- a) Pursuant to the Company's Constitution, an election of Directors shall take place each year at the annual general meeting of the Company, where 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 and be eligible for re-election, PROVIDED ALWAYS that Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.
- b) The directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became directors on the same day those to retire (unless they otherwise agree among themselves) be determined by lot.
- c) Any director appointed by the Board during the financial year shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.
- d) The tenure of an independent director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director. However, the tenure of Independent Directors should be limited to not more than a cumulative period of 12 years.

In the event the Board intends to retain such Director as Independent Director after the latter has served a cumulative term of nine (9) years, the Board must justify the decision and seek annual shareholders' approval through a two-tier voting process as guided by the MCCG, as follows:-

- i. Tier 1: Only the Large Shareholder(s) of the Company, votes.
- ii. Tier 2: Shareholders other than Large Shareholder(s), votes.

Large Shareholder(s) means a person who:

- i. is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company; or
- ii. is the largest shareholder of voting shares in the Company; or
- iii. has the power to appoint or cause to be appointed a majority of the Directors of the Company; or
- iv. 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 simple majority of votes of Tier 1, and a simple majority of votes of Tier 2. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. The resolution is deemed defeated where the vote between the two tier differs or where Tier 1 voter(s) abstained from voting.

- e) The independence of each director is reviewed at least annually and individual directors do not participate in assessing their own independence.

3.3 Boardroom Diversity

- a) The Board is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.
- b) The strategic intent of the Company's Boardroom Diversity is to attract, retain and develop a diverse team of skilled people who are increasingly engaged towards the delivery of the Company's strategies. This revolves around the following initiatives:
 - i. Identifying and balancing the different skills and industry experiences, backgrounds and gender of Directors;
 - ii. Retaining Directors based on merit, in the context of skills, time commitment and experiences; and
 - iii. Providing a safe and healthy environment for the views of Board members to be heard, their concerns attended to and where, bias, discrimination and harassment on any matter are not tolerated.
- c) The Board takes cognisance of the recommendation of the Malaysian Government to have at least 30% women as decision makers in corporate sector as promulgated by the Cabinet in 2011. This has then been highlighted again in the Corporate Governance Blueprint 2011 – Towards Excellence in Corporate Governance issued by the Securities Commission, Malaysia which stipulates a goal for women participation

on boards to reach 30% by 2016. The Board will take the necessary measures to attract women participation on the Board.

- d) The Board acknowledges the importance to promote gender diversity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. Thus the Company does not set any specific target for female directors in the Gender Diversity Policy and will actively work towards having more female directors on the Board.
- e) The Board has in place a Diversity Policy for the Board.
- f) Selection of candidates will be based on a range of diversity perspectives, including but not limited to professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender, ethnicity and age) will be disclosed in the Company's Annual Report.
- g) The Board embraces diversity and gender mix in its composition. However, due recognition to the financial, technical, experience and skill-sets of the Director is imperative and shall remain priority at all times.

3.4 Disqualification or Vacation of Office

- a) The Company's constitution provides that the office of Directors shall become vacant if the Director :
 - i. if he ceases to be a Director by virtue of the Act;
 - ii. if (not being the Managing or Deputy or Assistant Managing Director holding office as such for a fixed term) he resigns his office by notice in writing under his hand sent to or left at the Office;
 - iii. if he is absent from more than fifty per cent (50%) of the total Board of Directors' meetings held during a financial year, unless approval is sought and obtained from the Exchange;
 - iv. if he has retired in accordance with the Act or this Constitution but is not re-elected;
 - v. if he becomes of unsound mind during his term of office;
 - vi. if he becomes of unsound mind during his term of office;
 - vii. if he becomes bankrupt during his term of office;
 - viii. dies; and

- ix. if he becomes prohibited or disqualified from being a Director by reason of any order made under the provisions of the Act or the Listing Requirements or contravenes with the Act.
- b) A Director will also vacate office should he be absent from more than 50% of the total board of directors' meetings held during a financial year. Each Board member is expected to achieve at least 50% attendance of total Board Meetings in any applicable financial year with appropriate leave of absence be notified to the Chairman and/or Company Secretaries, where applicable.

3.5 New Directorships

- a) The appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the Nomination and Remuneration Committee ("NRC"). In making these recommendations, NRC assesses the suitability of candidates, taking into account the qualifications, credentials, core competencies via-a-vas the composition required mix of skills to demonstrate knowledge, expertise and experience, character, professionalism, integrity, competencies, time commitment and other qualities, which the Director would bring to the Board to effectively discharge his role as Director of the Company as prescribed by Paragraph 2.20A and Paragraph 15.05 of the MMLR from time to time.
- b) The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company.
- c) The directorships held by any Board member at any one time in both listed and non-listed companies shall not exceed the restriction in number or such other requirements as may be prescribed by the MMLR of Bursa Securities from time to time.

3.6 Company Secretary

- a) The appointment and removal of the Company Secretary is a matter for the Board as a whole.
- b) The Company Secretary who is appointed by the Board shall be qualified and should possess the knowledge and experience to carry out his functions. These may include knowledge in company and securities law, finance, governance, company secretaryship and other areas of compliance.
- c) The Secretary may resign from his office in accordance with the Act and any resignation shall be effective within thirty (30) days of the notice of resignation. The Board shall appoint another person as Secretary within thirty (30) days of receipt of the outgoing Secretary's notice of resignation in compliance with the Act.

3.7 Board Committee

- a) As part of its efforts to ensure the effective discharge of its duties, the Board has delegated certain functions to certain Committees with each operating within its clearly defined terms of reference.
- b) The Board has established the following Committees to assist the Board in the execution of its duties:

i. Audit Committee (“AC”);

The AC assists and supports the Board’s responsibility of overseeing the Group’s operations by providing a means for reviewing the Group’s processes for producing financial data, its internal controls, and policies and procedures to assess the suitability, objectivity and independence of the Group’s external auditor and internal audit function.

ii. Nomination and Remuneration Committee (“NRC”);

- The NRC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as undertakes the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director;
- The NRC is also primarily responsible for recommending to the Board the remuneration framework for Directors, reviewing the remuneration package for Executive Directors and Senior Management as well as the remuneration framework of employees of the Group; and

ii) Risk Management Committee (“RMC”); and

- The RMC is responsible for overseeing the risk management matters relating to the activities of the exchange holding company and its subsidiaries (the Group). It assists the Board to fulfil its responsibilities with regard to risk management in order to manage the overall risk exposure of the Group; and
- The RMC is also responsible for overseeing the compliance function and monitoring the overall compliance of the Group.

iii) Option Committee (“OC”).

- The OP is responsible for overseeing the implementation and administration of the Performance-Based Employee Share Scheme for the Eligible Employees (including Executive Directors) of Destini Berhad and its Subsidiaries (excluding Subsidiaries which are Dormant) subject to the By-Laws governing the Scheme.

- c) The roles and responsibilities of above Committees are set out in the terms and reference of each Committee.
- d) The Chairman of the relevant Board Committees will report to the Board on the key issues deliberated by the Board Committees at the Board meetings.
- e) The Management and third parties are co-opted to the Committee as and when required.

4. ROLES AND RESPONSIBILITIES OF BOARD

- 4.1** A Director shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.
- 4.2** A Director shall at all times avoid conflicts of interest, and shall as soon as practicable after the relevant facts have come to his/her knowledge, declare the nature of his/her interest at a meeting of the directors of the Company. Every Director shall give notice to the Company of such events and matters relating to him/her as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Companies Act, 2016 ("CA").
- 4.3** In line with the Malaysian Code of Corporate Governance 2021 (MCCG), the Board of Directors has the following key responsibilities:
 - a) Review and approve the annual corporate plan for the Group, which includes the overall corporate strategy, sustainability strategy, business development and marketing plan, human resources plan, IT plan, financial plan, budget, regulatory plan and risk management plan;
 - b) Review and approve strategic initiatives including corporate business restructuring or streamlining and strategic alliances;
 - c) Oversee the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
 - d) To ensure that the Company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility;
 - e) Identify principal risks and ensure the implementation of appropriate systems to manage these risks;
 - f) Approve the nomination, selection, succession policies, and remuneration packages for the Board members, Board Committee members, Nominee Directors on the functional Boards of the subsidiaries and the Principal Officers, and the annual manpower budget for the Group, including managing succession planning,

appointing, training, fixing the compensation of, and where appropriate replacing senior management or key management personnel;

- g) Approve the appointment, resignation or removal of Company Secretaries of the Company;
- h) Develop and implement an “investor relations programme” or “shareholder communications policy” for the Group;
- i) Review the adequacy and integrity of the Group’s internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines (including the securities laws, CA, and LR);
- j) Review and approve the Financial Statements encompassing annual audited accounts and quarterly reports, dividend policy, credit facilities from financial institutions and guarantees;
- k) Review and approve the Audit Committee Report, Statement of Risk Management and Internal Control and Sustainability Report for the Annual Report;
- l) Prepare a Corporate Governance Statement on compliance with the MCCG for the Annual Report;
- m) Review and approve investment policies and guidelines for the Company’s surplus funds, asset allocation policy and policy on exposure limits on investment with banking institutions;
- n) Review and approve the capital expenditure, purchase of fixed assets, operating expenditure, variation order and any other matters in accordance with the Authority Limits Document;
- o) Approve the appointment of external auditors and their related audit fees; and
- p) Initiate a Board self-evaluation program and follow-up action to deal with issues arising and arrange for directors to attend courses, seminars and participate in development programs as the Board judges appropriate.

4.4 The following are matters which are specifically reserved for the Board:

- a) review, approval and adopt the Company’s strategic plans and programmes;
- b) approval of annual budgets, including major capital commitments and capital expenditure budgets;
- c) approval of new ventures;
- d) approval of material acquisitions and disposals of undertakings and properties;

- e) changes to the management and control structure within the Company and its subsidiaries (“the Group”), including key policies, delegated authority limits;
- f) appointment of all other Board members, Board Committee members, Group Chief Executive Officer and the Company Secretary;
- g) any matters in excess of any discretions that is may have delegated from time to time to the President & Group Chief Executive Officer and Senior Management, including in relation to credit transactions, market risk limits and expenditures; and
- h) any matters and/or transaction that fall within the ambit of the Board pursuant to the Act, MMLR, Company’s Constitution, Terms of Reference of the respective Board Committees and any other applicable rule.

4.5 The Directors have individual and independent access to the advice and dedicated support services of the Company Secretary in ensuring the effective functioning of the Board. The Directors may seek advice from the management on issues under their respective purview. The Directors may also interact directly with, or request further explanation, information or updates, on any aspect of the Company’s operations or business concerns from the management.

4.6 In addition, the Board may seek independent professional advice at the Company’s expense on specific issues to enable the Board to discharge its duties in relation to the matters being deliberated. Individual Directors may also obtain independent professional or other advice in furtherance of their duties, subject to approval by the Chairman or the Board, depending on the quantum of the fees involved.

5. CHAIRMAN OF THE BOARD

5.1 The Chairman is appointed from amongst the Directors as approved by the Board.

5.2 The Chairman leads the Board with a keen focus on governance and compliance. His roles or responsibilities include, inter alia:

- a) providing leadership for the Board so that the Board can perform its responsibilities effectively;
- b) setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
- c) leading Board meetings and discussions;
- d) encouraging active participation and allowing dissenting views to be freely expressed;
- e) managing the interface between Board and management;

- f) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and
- g) leading the Board in establishing and monitoring good corporate governance practices in the Company.

6. GROUP CHIEF EXECUTIVE OFFICER (“GCEO”)

- 6.1** The GCEO is the conduit between the Board and management in ensuring the success of the Company’s governance and management functions;
- 6.2** The GCEO has the executive responsibility for the day-to-day operation of the Company's business within authority delegated by the Board.
- 6.3** The responsibilities of the GCEO, include, but are not limited to, the following:
 - a) developing the strategic direction of the Group;
 - b) ensuring that the Group's strategies and corporate policies are effectively implemented;
 - c) ensuring that Board decisions are implemented and Board directions are adhered to;
 - d) providing directions in the implementation of short and long term business plans;
 - e) providing strong leadership i.e. effectively communicating a vision, management philosophy and business strategy to the employees;
 - f) keeping Board fully informed of all important aspects of the Group's operations and ensuring sufficient information is distributed to the Board Members;
 - g) ensuring high performance and productivity of top management staff by creating conditions for top management motivation, performance management and professional development;
 - h) ensuring compliance with all relevant legislation and regulations by reviewing policies and monitoring compliance;
 - i) developing and maintaining effective relations with significant external agencies, investing public and other trade associations and institutions; and
 - j) ensuring day-to-day business affairs of the Group are effectively managed.

7. SEPARATION OF FUNCTIONS BETWEEN THE CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

- 7.1** The roles of the Chairman and the Group Chief Executive Officer are clearly defined and segregated, to ensure appropriate balance of power and authority, increased accountability and enhanced capacity of the Board for independent decision-making. The Board believes that for its current size, it is more expedient for the two roles to be held by the different person there are pertinent checks and balance to ensure no one person in the Board has unfettered powers to make major decisions for the Company unilaterally.
- 7.2** The Chairman provides leadership to the Board, instill good corporate governance practises, and oversees the Board in the effective discharge of its fiduciary duties. In performing this role, the Chairman shall work closely and facilitate effective communication with the GCEO and the management.
- 7.3** The Board delegates the management of the Company to the Senior Management under the leadership of the GCEO, to deliver the strategic directions and goals as determined.
- 7.4** The GCEO is responsible for the day-to-day management and running of the Company including strategy development, implementation and monitoring, business development, management of resources and stakeholder management.
- 7.5** The Company aims to ensure a balance of power and authority between the Chairman and the GCEO with a clear division of responsibility between the running of the Board and the management of the Company's day-to-day business respectively.

8. ROLE OF NON-EXECUTIVE DIRECTORS / INDEPENDENT NON-EXECUTIVE DIRECTOR

- 8.1** Non-Executive Directors are persons of calibre, credibility and have the necessary skill and experience to bring an independent judgement to bear on the issues of strategy, performance and resources, including key appointments and standards of conduct.
- 8.2** Independent Non-Executive Directors are those who have no direct or indirect pecuniary interest in the Company other than the remuneration for their services as members of the Board of Directors and Board committees of the Company and the Group.
- 8.3** The role of the Non-Executive Directors / Independent Non-Executive Directors is to constructively challenge and help develop proposals on strategy include, inter alia:
 - a) to make an independent assessment of the information, reports or statements, having regard to the directors' knowledge, experience and competence, to provide an independent view and demonstrate objectivity in reviewing and challenging the management's proposals at meetings;
 - b) to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to keep abreast of industry issues, market development and trend, and

enable them to sustain their active participation in board deliberations;
and

- c) act as a channel of communication between Management, shareholders and other stakeholders, and provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied.

9. ROLE OF EXECUTIVE DIRECTORS

9.1 The executive director (or in the absence of an executive director, the GCEO) whose responsibilities include, but are not limited to the following:

- a) To ensure the efficient and effective day to day management of the Company with all powers, discretions and delegations authorised by the Board;
- b) To establish and implement the strategic direction of the Company as approved by the Board;
- c) To make recommendations to the Board relating to the business and operations of the Company; and
- d) To identify and to ensure all material matters affecting the Company are brought to the attention of the Board.

10. SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

10.1 The Board shall appoint amongst its members a Senior Independent Non-Executive Director to act as an additional safeguard and to serve as a fallback point of contact for investors and shareholders when the normal channel of communication is considered to be inappropriate or inadequate.

10.2 The Senior Independent Non-Executive Director shall have specific responsibilities which include, to:

- a) Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through normal channels of contact with the Chairman or GCEO;
- b) Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues;
- c) Receive report(s) made by employees or external parties for the purpose of whistle blowing in the form as prescribed under the Whistle Blowing Policy of the Group, and thereafter submit the same to the Audit Committee Chairman with an opinion as to whether the report is frivolous or vexatious based on alleged facts;
- d) Ensure all Independent Directors have the opportunity to provide 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; and

- e) Consult with the Chairman regarding Board meeting schedules to ensure Independent Directors can perform their duties responsibly and with sufficient time for discussion of all agenda items.
- f) Preside at all meetings of the Board at which the Chairman is not present and call for meetings of the Independent directors.

11. BOARD PROCESSES

11.1 Board Meetings

- a) The Board shall meet at least four (4) times in a financial year, although additional meetings may be called at any time at the Chairman's discretion.
- b) The quorum necessary for the transaction of the business of the Directors shall be two (2) of the Directors.
- c) Proceedings of all meetings are minuted and signed by the Chairman of the meeting. Minutes of all Board meetings are circulated to the directors and approved by the Board at the subsequent meeting.
- d) Actions on all matters arising from any meeting are reported at the following meeting.
- e) The Board may invite external parties such as auditors (both internal and/or external auditors), solicitors or consultants as and when the need arises. Such invited parties may attend part or all of the Board Meeting at the discretion of the Board.
- f) Any Director who has a direct or deemed interest in the subject matter to be deliberated abstains from deliberation and voting on the same during the meeting.
- g) In the event the elected Chairman is not able to attend a meeting, a member of the Board shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non-Executive Director.
- h) The Board meeting may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.
- i) A resolution in writing, signed by a majority of the directors present in Malaysia for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of

the members of the Board. The resolutions are to be recorded in the Company's minutes book kept by the Company Secretary.

- j) In case of equality of votes, the Chairman shall have a second or casting vote, except where only two (2) Directors are competent to vote on the question at issue, or at the meeting where only two (2) Directors form the quorum and only such a quorum is present at the meeting or only two (2) Directors are competent to vote on the question at issue.

11.2 Notices of Meetings

- a) Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be sent to the Directors via email at least seven (7) days prior to the respective meeting. The agenda and Board papers encompassing comprehensive qualitative and quantitative information which include objectives, background, critical issues, implications, risks, strategic fit, recommendations and other pertinent information are circulated to the Directors to enable an informed decision making by the Board forwarded to each member no later than seven (7) days before the date of the meeting.
- b) As a best practice and allow ample time for directors to study and evaluate the matters to be discussed and subsequently make effective decisions, the Board paper and agenda items shall be circulated at least seven (7) days prior to the meeting.

11.3 Access to Information

- a) The Board should have access to all information pertaining to the Company and advice / services of the Company Secretary and Senior Management staff in the Group in a timely manner for the discharge of its duties effectively.
- b) The Board may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the directors to discharge their duties with adequate knowledge on the matters being deliberated.
- c) The Board acknowledges that confidential information received in the course of exercise of the Board duties remains the property of the Group, whether it relates to the Group or another entity. It will not be disclosed unless either the Chairman of the Board has so authorised in writing or disclosure is required by law.

12. DIRECTORS' TRAINING

- 12.1** The Directors shall be regularly updated by the Company Secretary, the External Auditors or the Internal Auditors on new statutory, corporate and regulatory developments relating to directors' duties and responsibilities or the discharge of their duties as directors of the Company.

- 12.2** The Board should on continuing basis evaluate and determine the training needs of each Director, particularly on relevant new law and regulations and essential practices for effective corporate governance and risk management to enable the Directors to effectively discharge their duties.

13. DIRECTORS' REMUNERATION

- 13.1** The remuneration policy of the Company is based on the philosophy of giving higher weightage on performance-related bonuses. These are entrenched in the remuneration policy for Executive Directors, which are reviewed annually by the Nomination and Remuneration Committee. The performance of Directors is measured by the Directors' contribution and commitment to both the Board and the Company. The Executive Directors' remuneration will depend on the performance of the Group.
- 13.2** In the case of Non-Executive Directors, the level of remuneration reflects the contribution and level of responsibilities undertaken by the particular Non-Executive Director.
- 13.3** The Board will determine the level of remuneration for each board member, taking into consideration the recommendations of the Nomination and Remuneration Committee.
- 13.4** The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending board meetings of the Company.
- 13.5** The Directors concerned shall abstain from voting or discussing their own remuneration.

14. CODE OF CONDUCT AND ETHICS

- 14.1** The Directors are to maintain the highest degree of integrity and professionalism while at the same time promoting transparency and accountability in their actions.
- 14.2** The Company has in place "*Code of Conduct and Ethics*" which is formulated to enhance the standard of corporate governance and behaviour through:
- a) Establishing standards of ethical conduct for Directors based on acceptable beliefs and values;
 - b) Upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing the Group; and
 - c) Documenting and emphasising to the Directors, the integral obligation of each Director in performing his/her duty, to act in a manner that is lawful, honest, ethical and free from any conflict of interest or perceived conflict of interest.

15. WHISTLE BLOWING POLICY

- 15.1** The Company has in place “*Whistle Blowing Policy*” to manage improper conduct on the part of the Directors, if any. This policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.
- 15.2** Director's improper conduct is generally described as any conduct by a Director which if proved constitutes a criminal offence or any conduct that constitutes a wrongdoing or malpractice and may include any of the following:
- a) The breach of any law, regulation or rule that is applicable to the Company. For example, a breach of insider trading laws;
 - b) Any criminal act, including criminal breach of trust, extortion and sabotage;
 - c) Any act that is likely to cause significant financial loss or costs to the Company including any intentional misrepresentation of the Company's financial statements;
 - d) Any other action that would cause significant harm to the Company or to any person(s); and
 - e) The deliberate concealment of information concerning any of the matters listed above.
- 15.3** The Board has overall responsibility for this policy and shall oversee the implementation of this policy.
- 15.4** The oversight of the whistleblowing function is under the purview of the Senior Independent Director who shall ensure that all reported violations are properly investigated. The Senior Independent Director is also responsible for reviewing the effectiveness of the actions taken in response to all concerns raised.

16. RELATIONSHIP WITH SHAREHOLDERS

- 16.1** The Board will maintain an effective communications policy that enables both the Board and Management to communicate effectively with shareholders and the general public.
- 16.2** The Board will ensure that the General Meetings of the Company are conducted in an efficient manner and serve as a mode in shareholders communications. These include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the General Meetings.
- 16.3** Communication with stakeholders can be achieved through various means, include, but are not limited to the following:
- a) establishing an investor relations function;
 - b) conducting engagement forums;

- c) organising investor, analyst and media briefings; and
- d) use of electronic means (website, social media, etc).

17. REVIEW OF BOARD CHARTER

- 17.1** This Board Charter was adopted by the Board of Directors on 25 April 2022 and will be reviewed as and when necessary by the Board. This Board Charter shall be made available on the Company's website.

END.
25 April 2022