

PLENITUDE BERHAD BOARD CHARTER

1. Preamble

The enhancement of corporate governance standards is vital towards achieving the objectives of transparency, accountability and effective performance for Plenitude Berhad Group of companies ("Plenitude" or "the Company"). It is with the aim of adopting and upholding the concepts of good governance as promulgated in the Malaysian Code on Corporate Governance ("the Code") that this Board Charter ("Charter") is established.

The Charter serves as a reference point for Board of Directors ("BOD") activities and should not be construed as a blueprint for BOD operations. Just as each organisation has its own corporate culture, the dynamics of each BOD is unique. The dynamics shift as the composition of the BOD changes, and the directors of Plenitude should always be open to new opportunities and ready to confront new challenges brought about by change.

This Charter is designed to provide guidance and clarity for directors and management with regard to the role of the BOD and its committees, the requirements for Directors in carrying out their role and in discharging their duties towards the Company as well as the BOD's operating practices.

2. Interpretation

2.1 In this Charter:

"BOD" means the Board of Directors of the Company;

"Business" means the business of the Company;

"Director" or "Directors" means a director in the BOD and does not mean a director of an operating subsidiary;

"Executive Chairman" means the chairman of the BOD and is used in a gender neutral sense;

"CEO" means the Chief Executive Officer of the Group;

"COO" means the Chief Operating Officer of the Group;

"Company Secretary" means the BOD secretary(ies) or the person(s) normally exercising the functions of a BOD secretary;

"Management" means the management personnel of the Company and includes Senior Management;

"Senior Management" means directors of the operating subsidiaries group general managers, general managers, assistant general managers, senior managers of the group;

"Shareholders" means the shareholders of the Company.

“Independent Director” is defined in accordance to Paragraph 1.01 of Bursa Malaysia Securities Berhad (“Bursa Malaysia”)’s Listing Requirements. An independent director is a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of an applicant or the Company. Without limiting the generality of the foregoing, an independent director is one who:-

- a. is not an executive director of the Company or any related corporation of the Company;
- b. has not been within the last two (2) years and is not an officer (except as independent director) of the Company or related corporation of the Company. For this purpose, “officer” shall have the meaning given in section 4 of the Companies Act 1965;
- c. is not a major shareholder of the Company, or any related corporation of the Company. Major shareholder shall carry the same meaning as that prescribed under Paragraph 1.01 of the Bursa Malaysia’s Listing Requirements;
- d. is not a relative of any executive director, officer or major shareholder of the Company or its related corporation. For this purpose, “relative” means the spouse, parent, brother, sister, child (including adopted or step child) and the spouse of such brother, sister or child;
- e. is not acting as a nominee or representative of any executive director or major shareholder of the Company or any of its related corporation;
- f. is not engaged as a professional adviser by the Company or any of its related corporation either personally or through a firm or company of which he is a partner, director or major shareholder, as the case may be; or
- g. has not within the last two (2) years and does not engage in any transaction with the Company or its related corporation, whether by himself or with other persons or through a firm of which he is a partner, director or major shareholder, as the case may be, the value of which exceeds RM250,000.

“Listing Requirements” means Bursa Malaysia’s Listing Requirements.

3. Roles of the BOD

- 3.1 The BOD is responsible for the stewardship of Plenitude’s business and affairs on behalf of the shareholders with a view to enhancing long term shareholder value whilst taking into account the interests of other stakeholders and maintaining high standards of transparency and accountability.
- 3.2 The BOD reserves a formal schedule of matters for its decision to ensure that the direction and control of the Group is firmly in its hands. This includes strategic issues and planning, material acquisition and disposal of assets/investments and capital expenditure and material financing and borrowing activities.
- 3.3 The principal responsibilities of the BOD as adopted from the Code are:

- reviewing and adopting a strategic plan for the Company;
- overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- identifying principal risks and ensure the implementation of appropriate systems to manage these risks;
- monitor and assess the performance of the CEO, COO and the Senior Management;
- succession planning, including appointing, training, fixing the compensation of and where appropriate, replacing executive directors and Senior Management;
- developing and implementing an investor relations programme or shareholder communications policy for the Company;
- reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- determining the remuneration of non-executive directors, with the individuals concerned abstaining from discussions of their own remuneration; and
- ensuring that the Company adheres to high standards of ethics and corporate behaviour.

3.4 In overseeing the conduct of the Group's business, the BOD shall ensure that an appropriate financial planning, operating and reporting framework as well as an embedded risk management framework are established. Elements under this combined framework include the operating plan and budget, financial statements, divisional strategic/performance reviews reports and risk management reports.

4. BOD Structure

4.1 BOD Balance and Mix

- 4.1.1 The BOD recognises the importance of independence and objectivity in the decision making process. At least one third of the BOD is to comprise of independent non-executive directors.
- 4.1.2 It is also important for the BOD to keep its size at a reasonable level. Plenitude's Articles of Association allows a minimum of two (2) and a maximum of fifteen (15) directors. BODs that are too small or too large may significantly stress or limit the level of individual participation, involvement and effectiveness. The BOD shall from time to time examine its size with a view to determine the impact of its number upon its effectiveness.
- 4.1.3 The BOD recognises the need for the composition to reflect a range of skill mix and expertise. High levels of professional skills and appropriate personal qualities are prerequisite for directorships. Without limiting the generality of the foregoing, the qualifications for BOD membership are the ability to make informed business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, relevant experience, the ability to appreciate the wider picture, ability to ask probing operational related questions, high ethical standards, sound practical sense, and total commitment to furthering the interests of shareholders and the achievement of the Company's goals.

- 4.1.4 The BOD also recognises the importance of having a clearly accepted division of power and responsibilities at the head of the Company to ensure a balance of power and authority.

4.2 Roles of the Executive Chairman & Chief Operating Officer

- 4.2.1 The Executive Chairman carries out a leadership role in the conduct of the BOD and its relations to shareholders and other stakeholders. The Executive Chairman is primarily responsible for:

- Representing the BOD to shareholders;
- Ensuring the integrity of the governance process;
- Maintaining regular dialogue and performance review with the CEO and COO throughout all business and operational matters and consulting with the remainder of the BOD promptly over any issues;
- Functioning as a facilitator at meetings of the BOD to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussions takes place and that relevant opinions among members is forthcoming. The Executive Chairman will ensure that discussions result in logical and understandable outcomes;
- Ensuring that all directors are enabled and encouraged to participate in its activities. This includes ensuring that all relevant issues are on the agenda and that all directors receive timely, relevant information tailored to their needs and that they are properly briefed on issues arising at BOD meetings;
- Ensuring that executive directors look beyond their executive function and accept their full share of responsibilities of governance;
- Guiding and mediating BOD actions with respect to organisational priorities and governance concerns;
- Undertaking the primary responsibility for organising information necessary for the BOD to deal with items on the agenda and for providing this information to directors on a timely basis; and
- Performing other responsibilities assigned by the BOD from time to time.

- 4.2.2 Chief Executive Officer (“CEO”) assumes the overall responsibility for the implementation of the Group’s strategy and in carrying the Board’s directions, managing the businesses of the Group and driving performance within the strategic goals and commercial objectives. The CEO leads the Group Management Committee and leads the management team in carrying out the corporate strategy and vision of the Group. As CEO, he is accountable to the Board for the day-to-day management and operations of the Group’s business.

The key roles of the CEO include, among others:-

- Developing strategic direction;
- Ensuring strategies and corporate policies are effectively implemented;
- Ensuring Board decisions are implemented and Board directions are responded to;

- Provide strong leadership that is, effectively communicating a vision, management philosophy and business strategy to the employees;
- Keeping the Board fully informed of all important aspects of the Group's operations and ensuring sufficient information is distributed to Board members;
- Ensuring the day-to-day business affairs of the Group are effectively managed;
- Develop CEO focus areas annually including quantitative targets such as Return on Equity, Total Shareholder Return, Dividend Policy and Profit Growth etc;
- Together with the Board sets objective, visions, targets and strategic direction of the Group; and
- Together with management entails the achievement of corporate goals.

4.3 Tenure of Directors

- 4.3.1 Pursuant to the Company's Articles of Association, all directors must retire once at least every three (3) years but shall be eligible for re-election.
- 4.3.2 There is a maximum age of 70 for directors. However, a Director who has attained the age of 70 may be reappointed as a Director until the next annual meeting provided that the resolution must be passed by a majority of not less than three quarters of such members of the Company present and voting who, being entitled to do so, vote in person or by proxy at the General Meeting of the Company.
- 4.3.3 The tenure of the executive directors is tied to their executive office.
- 4.3.4 The tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the BOD subject to the director's re-designation as a non-independent director. The BOD must justify and seek shareholders' approval in the event it retains as an independent director, a person who has served in that capacity for more than nine (9) years.

4.4 Company Secretary

- 4.4.1 The appointment and removal of the Company Secretary is a matter for the BOD as a whole. The BOD recognises the fact that the Company Secretary should be suitably qualified and capable of carrying out the duties required of the post.
- 4.4.2 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 BOD and to ensure regulatory compliance
- 4.4.3 Other primary responsibilities of the Company Secretary shall include:
- Advise the BOD on matters related to secretarial matters and corporate governance;
 - Ensure that BOD procedures and applicable rules are observed;

- Maintaining records of the BOD and ensure effective management of organisation's records;
- Preparing comprehensive minutes to document BOD proceedings and ensure conclusions are accurately recorded;
- Assisting the communications between the BOD and Management; and
- Carrying out other functions deemed appropriate by the BOD from time to time.

4.5 BOD Committees

4.5.1 The BOD reserves the right to establish Committees from time to time in the discharge of its duties and responsibilities. Where a Committee is formed, specific terms of reference of the committee would be established to cover matters such as the purpose, composition and functions of the committee.

4.5.2 A number of standing committees with written terms of reference have been established namely the following:-

Audit Committee

The Audit Committee assists and supports the BOD's responsibility to oversee the Group's operations by providing a means for review of the Group's processes for producing financial data, its internal controls and independence of the Group's external and internal auditors.

Nomination Committee

The Nomination Committee oversees matters related to the nomination of new directors, annually review the required mix of skills, experience and other requisite qualities of directors as well as the annual assessment of the effectiveness of the BOD as a whole, its committees and the contribution of each individual director.

Remuneration Committee

The Remuneration Committee is primarily responsible to recommend to the BOD the remuneration of executive directors in all its forms, drawing from outside advice if necessary.

4.6 The BOD's Relationship with Shareholders and Stakeholders

4.6.1 The BOD will maintain an effective communications policy that enables both the BOD and Management to communicate effectively with its shareholders, stakeholders and the public generally.

4.6.2 It is the role of the BOD to ensure that general meetings are conducted in an efficient manner and serve as a crucial mechanism in shareholder communications. Key ingredients behind this include the supply of comprehensive timely information to shareholders and the encouragement of active participation in the general meetings. The BOD

will focus its efforts on the following best practices to enhance the value of the general meetings:

- ensure that each item of special business included in the notice to be accompanied by a full explanation of the effects of the proposed resolution;
- for re-election of directors, ensure that the notice of meeting states which directors are standing for election or re-election with a brief description to include matters such as age, relevant experience, list of directorships, date of appointment to the BOD, details of participation in BOD committees and the fact that a particular director is independent;
- ensure that the Executive Chairman provides reasonable time for discussion at the meeting. Where appropriate, the Executive Chairman will also undertake to provide the questioner with a written answer to any significant question which cannot be answered immediately; and
- conduct each business presentation with a question and answer session.

4.7 Time Commitment

The Directors should be aware of their responsibilities and will dedicate sufficient time to carry out such responsibilities.

4.8 Protocol in accepting new directorships outside the Group

The Director concerned must notify the rest of the BOD prior to accepting the new directorship outside the Group. In his notification, he must indicate the amount of time that is expected to be spent on the new appointment.

5.0 BOD Processes

5.1 BOD meetings

- 5.1.1 Meetings will be conducted at least on a quarterly basis. The Company Secretary shall prepare and distribute a timetable for all required to attend the BOD meetings.
- 5.1.2 BOD is required to attend the BOD meetings. However, other Senior Management may be invited to attend for particular items within their responsibility. The BOD may also invite external parties such as the auditors (internal and external), solicitors and consultants as and when the need arises.
- 5.1.3 Additional formal business is dealt with as required, whether by physical, video conferencing or telephonic meetings, as well as other electronic meetings defined in the Articles of Association. All resolutions, attendance, transactions, quorums and votes obtained through electronic means shall be deemed valid and effective unless it contravenes the requirements of relevant statutes and regulations.

5.2 Agenda

5.2.1 The notice of a directors' meeting, unless with consent of majority of the BOD, should be given in writing at least seven (7) days prior to the meeting. The Executive Chairman in conjunction with the executive directors and the Company Secretary shall undertake the primary responsibility for preparing the BOD's agenda. The agenda should include matters specifically reserved for the BOD's decision.

5.3 Meeting papers

5.3.1 As a matter of best practice and to allow ample time for the directors to consider the relevant information, BOD papers and agenda items are to be circulated in advance of the meeting.

5.3.2 Minutes are prepared within sufficient time following a BOD meeting and are circulated in draft form. The draft minutes will be re-circulated with the BOD papers in readiness for signing at the following meeting.

5.3.3 If one or more directors request their opinion to be noted, the Company Secretary shall comply with the request.

5.4 Access to Information

5.4.1 A record of submissions and papers and materials presented to the BOD, is maintained and held by the Company Secretary together with minutes of meetings, and is accessible to the directors.

5.4.2 All Directors (executive and non-executive) have the same right of access to information relevant to the furtherance of their duties and responsibilities as directors of the Company.

5.5 Independent Professional Advice

5.5.1 The BOD as well as any director is entitled to obtain independent professional advice relating to the affairs of the Group or to his or her responsibilities as a director, subject to paragraph 5.5.2 below.

5.5.2 If a director considers such advice necessary for the discharge of his or her duties and responsibilities as director and for the benefit of the Company, such director shall obtain the BOD's prior approval, and in seeking such advice, shall be required to comply with the following procedures:

- The director concerned shall prepare a detailed paper to be submitted to the BOD. The paper shall highlight, inter alia, the purpose behind the request and the estimated costs of the advice;
- The BOD shall deliberate on the said paper, and at its absolute discretion determine if the director concerned shall be permitted to seek independent professional advice. Should a request be

denied, the director concerned is entitled to have his views duly recorded.

- 5.5.3 The cost of the advice will be borne by the Company. The BOD or the member, as the case may be, will however ensure that, so far as is practicable, the cost is reasonable.

Induction Process

- 5.5.4 The objective of the induction process is to provide directors with a rapid and clear insight into the Company. This will enable the directors to discharge their duties and responsibilities effectively.

- Induction of directors may include (but not limited to) discussion with other executive directors and Senior Management (in particular the Executive Chairman, the Company Secretary and, if the independent director is a functional specialist, his or her counterpart) and visits to key sites.

5.6 Directors' External Commitments and Conflict of Interest

- 5.6.1 The Company's Articles of Association stipulates that, every director who may have direct or indirect interest in any contracts or proposed contract or arrangement with the Company shall immediately declare his interest to the BOD and shall not participate in deliberations and shall abstain himself from casting his votes in any matter arising therefrom.

- 5.6.2 Should there be an actual, potential or perceived conflict of interest between a Company and a director, or an associate of a director such as a spouse, other family member, or a related Company, the director involved shall make full disclosure and act honestly in the best interest of the Company.

- 5.6.3 An actual, potential or perceived conflict of interest shall not necessarily disqualify an individual director from the BOD provided that full disclosure of the interest has been made in good faith and due honesty.

- 5.6.4 Every director is to notify the Executive Chairman in writing before accepting any new directorship in companies outside the Group.

- 5.6.5 Such notification should include inter-alia an indication of amount of time expected to be spent on the new directorship(s).

The Board of Directors of Plenitude has adopted this policy on 22 May 2014.