

**CAB CAKARAN CORPORATION BERHAD**

(200201015998) (583661-W)

(Incorporated in Malaysia)

**BOARD CHARTER****1. INTRODUCTION**

The Board of Directors of CAB Cakaran Corporation Berhad (“CAB” or the “Company”) recognizes the importance of Corporate Governance principles and practices to the success of the business of the Group and are committed towards adhering to the high standards of corporate governance as guided by the Malaysian Code on Corporate Governance (“MCCG Code”), best practices and applicable laws with the ultimate objective to adopt good governance practices as an integral part of our business dealings and organisation culture.

The Board is ultimately accountable and responsible for the performance and affairs of the Company and its subsidiaries (the Group”). The Board members are expected at all times to act in an honest and professional manner, fairly and diligently, in good faith in the best interest of the Company and shareholders with due regard to their fiduciary duties and responsibilities.

This Board Charter shall constitute, and form, an integral part of each Director’s duties and responsibilities.

**2. OBJECTIVES**

The objectives of this Board Charter is to provide primary source of reference and induction literature to all Board Members. It sets out the Board’s intent, authority, the fundamental roles and responsibilities of the Board and individual Directors as well as the decision reserved to the Board which are consistent with the principles of MCCG Code.

**3. ROLES AND RESPONSIBILITES****3.1 Roles And Responsibilities Of The Board**

Board should objectively discharge their duties and responsibilities at all times in the interests of the Group and should keep abreast of its responsibilities and of the conduct, business activities and development of the Group.

To enable the Board to discharge its roles and responsibilities in meeting the goals and objectives of the Group, the Board has, among others, agreed but not limited to the following matters:

**3.1.1 Ethics and Compliance**

- (a) The Board is charged with leading and managing the Group in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Group. The Directors are, collectively and individually, aware



- of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Group's values and standards and ensures that its obligations to its stakeholders are understood and met.
- (b) All Directors observe high ethical business standards, honesty and integrity and to apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its stakeholders.
  - (c) The Board understands that the responsibility for good corporate governance rests with them and therefore strives to comprehend and apply the principles and practices stated in the MCCG Code.
  - (d) The Board meets in person at least once every quarter 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.
  - (e) The Board establishes 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.
  - (f) The Board oversees the business and affairs of the Company and will assume, amongst others, the following duties and responsibilities in meeting the goals and objectives of the Company:
    - (i) Promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
    - (ii) Review, challenge and decide on Management's proposals for the Group, and monitor their implementation;
    - (iii) Review, approve and monitor the overall strategies and direction of the Group and to ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
    - (iv) Supervise and assess Management's performance to determine whether the Group's business is being properly managed;
    - (v) Ensure that there is a sound and adequate framework for internal controls and risk management;
    - (vi) Understand the principal risks of the Group's business and recognise that business decisions involve the taking of appropriate risks;
    - (vii) Assess and set the risk appetite within which Management should operate and ensure that there is an appropriate risk management

framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks;

- (viii) Ensure that Senior Management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and Senior Management;
- (ix) Ensure that the Group has in place procedures to enable effective communication with stakeholders;
- (x) Ensure the integrity of the Group's financial and non-financial reporting;
- (xi) Providing input and approved the annual operating budget as well as periodic review the Group's financial performance and operating results against budget and major capital commitments;
- (xii) Reviewing and approving any major corporate proposals, new business ventures or joint ventures of the Group;
- (xiii) Review the terms of office and performance of the Board Committees annually (with members of the respective Board Committees abstain from deliberation) and
- (xiv) Reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies.

### **3.1.2. Policies and Strategies**

- (a) The Board has established written procedures determining which issues require a decision of the full Board and which issues can be delegated to Board Committees or the Management.
- (b) The Board oversees the Company Policies as a whole. This includes the Code of Ethics and Conduct, Whistleblowing Policy, Anti-Bribery and Corruption Policy and other significant policies recommended under MCCG Code. The Code of Ethics and Conduct promotes ethical values and standards in the workplace while ensuring appropriate internal systems are in place to support, promote and ensure its compliance. The Whistleblowing Policy sets the appropriate communication channels to facilitate whistleblowing by employees, customers, suppliers and other stakeholders of the Group. The Anti-Bribery and Corruption Policy serves for the compliance and prevention of corruption.
- (c) The Board reserves full decision-making powers on the following matters, amongst others:
  - (i) Conflict of interest issues relating to a substantial shareholder or a Director in the conduct of related party transactions;

- (ii) Acquisitions and disposals of assets not in the ordinary course of business;
- (iii) Annual budgets (including major capital commitments);
- (iv) Corporate or financial exercise /restructuring;
- (v) Business strategies and risk management and sustainability policies;
- (vi) Key human resource issues; and
- (vii) Board policies and governance matters.

### **3.1.3. Internal Controls and Risk Management**

- (a) The Board oversees, reviews and monitors the operation, adequacy and effectiveness of Group's system of internal controls.
- (b) The Board defines the risk appetite, approving and overseeing the operation of the Group's Risk Management Framework, assessing its effectiveness and reviewing any major/ significant risk facing the Group.
- (c) The Group has an internal audit function, which reviews the Group's activities and its internal controls.

## **3.2 Role Of Individual Directors**

Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors which are broadly include:

- (a) Acting in good faith and in the best interests of the Company as a whole and for proper purpose;
- (b) Acting with care and diligence of reasonable person subject to business judgement rule;
- (c) Avoiding conflicts of interest with the Company in a personal or professional capacity;
- (d) Refraining from making improper use of information gained through the position of Director and from taking improper advantage of the position of Director;
- (e) Disclosing and abstaining from voting on matters of material personal interest; and
- (f) Complying with corporate laws, securities legislation and listing requirements.



Directors will keep all Board information, discussions, deliberations and decisions that are not publicly known confidential and will not use information gained through their position for personal interest.

### 3.3 Role Of Executive Directors

The key responsibilities of the Executive Directors are:

- (a) To ensure that Board decisions and strategic directions are implemented and responded to;
- (b) To provide directions to Management in the implementation of short and long-term business plans;
- (c) To develop, maintain and recommend to the Board the action plans that support the Group's long-term strategy;
- (d) To keep Board fully informed of all important aspects of the Group's operations and to ensure that sufficient information is distributed to Board Members; and
- (e) To ensure that day-to-day business affairs of the Group are effectively managed.

### 3.4 Role Of Independent Directors

An Independent Non-Executive Director is independent and free of any significant business or relationship that can materially interfere with, or can reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement, and is one who meets the criteria for independence.

The primary responsibility of Independent Directors is to ensure effective check and balance mechanism in the Board by:

- (a) Bringing independent and objective judgement to the Board;
- (b) Mitigating risk of any possible conflict of interest and undue influence in the Board. The Independent Directors help to ensure that the interests of all shareholders, and not only the interests of the particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.
- (c) Constructively challenging and contributing to the development of business strategy and direction of the Group;

When the Board intends to retain its Independent Director beyond nine years, it would justify and seek shareholders' approval in the AGM. However, if the Board continues to retain its Independent Director after the twelfth year, the Board would seek shareholders' approval through a two-tier voting process in the AGM.

### 3.5 Role Of Chairman

The Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The Chairman is, amongst others, responsible for:

- (a) Leading the Board in setting the values and ethical standards of the Company;
- (b) Monitoring the workings of the Board, especially the conduct and lead of Board meetings and discussions
- (c) Encouraging all Directors to play an active role in Board activities and allowing dissenting views to be freely expressed;
- (d) Liaising with the GMD and the Company Secretary on the agenda for Board meetings and ensure that all relevant issues for the effective running of the Company's business is on the agenda;
- (e) Ensuring the provision of accurate, timely and clear information to members of the Board;
- (f) Maintaining a relationship of trust with and between the Executive and Non-Executive Directors;
- (g) Ensuring effective communication with shareholders and relevant stakeholders;
- (h) Arranging regular evaluation of the performance of the Board, its Committees and individual Directors;
- (i) Manage the interface between Board and Management.;
- (j) Facilitating effective contribution of Non-Executive Directors and ensuring constructive discussion at board meeting;
- (k) Chairing general meetings of shareholders;
- (l) Ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- (m) Leading the Board in establishing and monitoring good corporate governance practices in the Group;
- (n) In determining policies matters, the Chairman should ensure that the following are carried out:
  - (i) All Directors are properly briefed on issues arising at Board meetings;
  - (ii) There is sufficient time allowed for the discussion of complex or contentious issues and where appropriate, arranging for informal meetings beforehand to enable thorough preparation; and

- (o) Fulfilling such other responsibilities as are allocated by the Constitution from time to time.

### 3.6 Role Of Group Managing Director (“GMD”)

The primary roles and responsibilities of the GMD are:

- (a) Accountable for overseeing the overall performance of the Company and the day-to-day running and management of the Group’s business with the delegated authority from the Board;
- (b) Responsible for the development and recommendation to the Board the Group’s long-term strategies and setting the overall strategic policy and direction of the Group’s business operations based on effective risk management controls;
- (c) Ensuring that the financial management practice is performed at the highest level of integrity and transparency and that the business and affairs of the Group are carried out in an ethical manner and in compliance with the relevant laws and regulations;
- (d) Providing an effective leadership to the Group and is responsible for ensuring the Group has an effective management team and structure as well as the imposition of the management development program and succession plan to sustain continuity of operations;
- (e) Developing and being accountable to the Board for the financial management, reporting, including the annual business plans and budgets that support the Group’s long-term strategy as well as the critical performance targets;
- (f) Implementing policies, strategies and decisions adopted by the Board. All Board authorities conferred on the Management is delegated through the GMD and this will be considered as the GMDs authority and accountability as far as the Board is concerned;
- (g) Being the conduit between the Board and the Management in ensuring the success of the Company’s governance and management functions;
- (h) Ensuring continuous improvement in quality and value of the Group’s products and services;
- (i) Maintaining a positive and ethical working environment that is conducive to attracting, retaining and motivating a diverse work-force at all levels; and
- (j) Referring to the Chairman and Board committees on matters requesting attention and action from time to time.

### 3.7 Role Of Committees

The Board may from time to time establish appropriate Board Committees to assist them in the discharge of their responsibilities. However, Board Committees do not make



decision on behalf of the Board but to review matters under its purview and make recommendations to the Board for its consideration and decision making.

The Board shall establish the following Board Committees and defined their respective terms of reference:

- Audit Committee
- Nomination Committee
- Remuneration Committee
- Halal Committee
- Risk Management and Sustainability Committee

The Chairman of the respective Committees reports to the Board on the outcome of the Committee meetings.

The role, function, performance and membership of each Committee will be reviewed on an annual basis as part of the Board's appraisal process. The Board through the Nomination Committee, should review the Board Committees' effectiveness. The Chairman of each Board Committee should assess the performance of individual committee members on an annual basis. These assessments can be used to facilitate the Nomination Committee's evaluation of Board Committees' performance.

#### **4.0 COMPOSITION AND BOARD BALANCE**

##### **4.1 Size And Composition**

- (a) The Board consists of qualified individuals with diverse experiences, ethnicity, gender, age, backgrounds and perspectives to facilitate the making of informed and critical decisions. The Board shall ensure that the number of Directors of the Board is in accordance with the Company's Constitution and the prevailing requirements of the laws and regulations.
- (b) At any one time, the Board shall have a balanced composition of Executive and Non-Executive with at least half of the Board comprising Independent Non-Executive Directors.
- (c) The positions of Chairman and Managing Director are to be separated and held by different individuals with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.
- (d) The Chairman of the board shall not be the Chairman of the Audit Committee, Nomination Committee or Remuneration Committee.
- (e) The GMD and the Executive Director(s) are the "Executive" Directors on the Board. However, the views of the Management are represented at meetings of the Board by the presence of senior executives when required.



- (f) If, on any matter discussed at a Board meeting, any Director holds views contrary to those of any of the other Directors, the Board minutes will be clearly reflected this.

#### **4.2 Procedures Of Appointment, New Board Member's Induction And Training**

- (a) The appointment of a new Director is a matter for consideration and decision by the full Board upon appropriate recommendation from the Nomination Committee.
- (b) Board diversity provides constructive debates and enables the discussion of the same ideas in differing ways leading to better decisions. The Board acknowledges the importance of gender diversity in its composition. In its selection of Board Members, the Board provides equal opportunity to all candidates who meet its selection criteria.
- (c) In identifying the candidates for the Board, the Board will consider the recommendations from existing Board Members, Management or Major Shareholders as well as independent sources to identify suitably qualified candidates for appointment of Directors.
- (d) The selection criteria for appointment of Board is based on objective criteria, merit and with due regard to diversity of skills, experience, age, cultural background, gender, expected time commitment and independence.
- (e) Every newly appointed Director receives a formal letter, setting out his general duties and obligations as a Director pursuant to the relevant legislations and regulations. The new Director will also receive an induction pack containing information and documents relating to the role and responsibilities of a Director, the Group's principal businesses, the Company's Board processes and corporate governance practices, relevant company policies and procedures as well as a board meeting calendar for the year with a brief of the routine agenda for each meeting.
- (f) An in-house orientation will be organised by Management to brief the newly appointed Director on the operations of the Group, the business environment and markets in which the Group operates, current issues within the Group, the corporate strategy, the expectations of the Group concerning input from Directors and the general responsibilities of the Directors.
- (g) Newly appointed Directors are expected to declare their time commitment to the Board, and if they sit in other listed corporations as a director, to notify the same to the Board and shall include the indication of time that will be spent on the new appointment.
- (h) The number of directorships in listed corporations held by any Board Member at any one time shall comply with the listing requirements of Bursa Malaysia Securities Berhad
- (i) All new Directors appointed to the Board shall undertake a formal induction program with the coordinated by the management and Nomination Committee.

- (j) The Company Secretary has the responsibility of ensuring that relevant procedures relating to the appointments of new Directors are properly executed.

#### **4.3 Directors' Training And Development**

The Board shall adopt a continuous educational and training programme to update Board Members relating to new development of laws, regulations and other business and management related subjects, sustainability topics relevant to the business, risks control and management subjects that may affect the Company's business and compliance requirements.

#### **4.4 Performance Appraisal**

Regular reviews of Directors' effectiveness and performance are important for Board improvement. The Board shall review and evaluate each Director's performance, its own performance and the performance of its Committees at least once a year. When assessing its performance, the Board shall also evaluate its performance vis-à-vis the provisions in this Board Charter, including the performance of the Board in addressing the Group's material sustainability risks and opportunities. The Board shall disclose how the assessment is carried out and its outcome.

All Board related performance appraised shall be administered and conducted by the Nomination Committee who shall then report back to the Board. Based on the result of appraisal, the Nomination Committee should assist the Board to undertake assessment of the training needs of each Board Member and recommend the appropriate educational/training programmes to the respective Board Members to equip themselves with the relevant knowledge.

#### **4.5 Re-Election And Re-Appointment**

All Directors shall be subject to retirement by rotation and re-election in accordance with the Listing Requirements and the Company's Constitution as well as the requirements of the law.

### **5. BOARD MEETING**

- (a) Board meetings are held at least five (5) times per year. The agenda for each meeting is dictated by the needs of the Board and would be communicated in the notice of meeting. Additional Board meeting can be convened at the request of any Director by giving all Directors seven days' notice in writing. A meeting may, with the consent of all Directors, be convened with shorter notice.
- (b) Non-Executive Directors may hold meeting in the absence of Management at least annually to discuss among others strategic, governance and operational issues of the Group.

- (c) Personal attendance of Board Members at meetings is preferred. However, the Board and Board Committees may hold meetings at two or more venues using technology that gives all members of the Board or the Board Committees a reasonable opportunity to participate in the meeting. On the other hand, Board may also pass its resolution by way of circular.
- (d) The management of the Company shall provide to all Directors with timely and quality information and in the form and manner appropriate for them to discharge their duties effectively. The meeting materials should be circulated at least five (5) business days in advance of the Board meeting. In case where the subject matter/agenda item is price sensitive or otherwise confidential or in a state of flux, the materials/report/papers will be presented at the meeting. All Board Members should ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including whether any Director abstained from voting or deliberating on a particular matter.
- (e) Heads of the respective division units and the senior management personnel may be invited to attend the Board meetings as and when the need arises;
- (f) The meeting materials, amongst others, shall include the following:
  - (i) Minutes of meetings of all Committees of the Board;
  - (ii) A current review of the business operations of the Company;
  - (iii) Group Financial Results Review and Quarterly financial report
  - (iv) Reports on Related Party Transactions and Recurrent Related Party Transactions;
  - (v) Directors' Securities dealings;
  - (vi) Annual management plans;
  - (vii) Report on key business risks, the development of and progressive monitoring of a sound framework of internal controls and regulatory compliance; and
- (g) In carrying out Board Meeting procedures, and meeting the requirements of a valid Board Meeting, the Company's Constitution shall be followed. Upon conclusion of a meeting, the minutes are circulated within one month to the Directors. The minutes of the Board Meetings shall be duly entered into the minute book of the Company. Such Board Meetings having been signed by the Chairman of the meeting at which the proceedings were held, or by the Chairman of the next succeeding meeting shall be conclusive evidence of the meeting held. Minutes of the Board Meeting shall be distributed to all members of the Board.

## 6. REMUNERATION POLICIES

- (a) The fees and benefits payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in general meeting.



The Remuneration Committee is delegated with the responsibility by the Board to recommend to the Board the remuneration packages of the Directors and senior management of the Group. In its review, The Remuneration Committee shall implement the remuneration policies and procedures defined by the Board and review and recommend any matters relating to the remuneration of the Board and Senior Management, to the Board.

## **7. ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

- (a) All Board Members shall have full and unrestricted access to:
  - (i) Complete, adequate and timely information of the Group;
  - (ii) The resources required to perform their duties;
  - (iii) Subject to Board's approval, engage independent professional or obtain advices at the expense of the Group;
- (b) The Management is responsible for providing the Board with the required information in an appropriate and timely manner. If the information provided by Management is insufficient, the Board may make further enquiries, to which the Management responsible shall respond accordingly.
- (c) The Board is entitled to obtain independent professional advice at the cost of the Company, and the Director who considers this as necessary shall follow these guidelines:
  - (i) First discuss with the Chairman and/or GMD;
  - (ii) Provide written notice to the Company Secretary of his intention to seek independent advice with brief summary of the subject matter; and
  - (iii) The Board shall be notified and approval be obtained prior to the engagement of the professional advisors.

## **8. FINANCIAL REPORTING**

### **8.1 Transparency**

- (a) The Board aims to present a balanced and understandable assessment of Group's financial position and prospects, and ensures that the financial statements are of reliable source of information for shareholders and other stakeholders. The Board will ensure that the Audit Committee obtains written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

- (b) The Directors ensure that the financial statements are prepared so as to give a true and fair view of the current financial status of the Company in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and provisions of the Companies Act 2016, and the Bursa Listing Requirements.
- (c) The Company's practice is to announce to Bursa Securities its quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period.
- (d) The Auditors Report shall contain a statement from the Auditors explaining their responsibility in forming an independent opinion, based on their audit, of the financial statements.

## **8.2 Company Auditors**

- (a) The Board has established formal and transparent arrangements for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the Company Auditors through its Audit Committee.
- (b) The Audit Committee also keeps under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Company Auditors. The Company ensures that the Company Auditors do not provide a substantial volume of non-audit services to the Company.
- (c) The Appointment of the Company Auditors is subject to the approval of shareholders at General Meetings. The Company Auditors have to retire during the Annual General Meeting every year and be re-appointed by shareholders for the ensuing year.

## **8.3 Sound Risk Management Framework and Internal Control System**

- (a) The Board ensures that there is an ongoing process for identifying and managing significant risks faced by the Group. The Board believes that maintaining a sound system of internal control is based on a clear understanding and appreciation of the following key elements:
  - (i) Determining the Company's level of risk tolerance and activity identified, assessing and monitoring the key business risks to safeguard shareholders' investments and the Company's assets;
  - (ii) Commitment to articulate, implement and review the Company's internal control systems;
  - (iii) Periodic testing of the effectiveness and efficiency of the internal controls procedures and processes to be conducted to ensure that the system is viable and robust.
- (b) The Board should ensure that the Management has carried out a risk assessment review on the Company's and Group's operations, which covers all aspects of the

business activities. The risk profiles including its tolerance level thereof, and risk registers are reported by the Management to the Risk Management and Sustainability Committee (“RMASC”) on an annual basis. The Chairman of the RMASC reports the significant risks and control issues to the Board for its consideration.

#### **8.4 Internal Audit Function**

- (a) The Board has established an internal audit function for the Group which critically reviews the adequacy of the operational controls and procedures so as to provide reasonable assurance that such system continues to operate satisfactorily and effectively within the Group. Comprehensive audits of the practices, procedures and internal controls of all business units and subsidiaries are undertaken on a regular basis.
- (b) The Head of Internal Audit has direct access to the Board and any member of the Board.
- (c) The Board ensures that the system of internal controls is reviewed on a regular basis and the Audit Committee receives reports regarding the findings and outcome of the audits and reviews on a regular basis.

### **9. GENERAL MEETINGS**

- (a) The AGM shall be regarded as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from, the Company's shareholders.
- (b) The Board shall facilitate the shareholders to exercise of their rights and take reasonable steps to encourage shareholders participation at general meetings by serving notices for meetings at least 28 days prior to the meeting to facilitate greater shareholder participation.
- (c) The Board will make an announcement of the detailed results showing the number of votes cast for and against each resolution at general meetings to facilitate greater shareholder participation.
- (d) The Board will leverage technology to facilitate voting in absentia and remote shareholders' participation at general meetings when appropriate systems are available, proven, feasible and suitable for the Company to adopt this practice.

### **10. STAKEHOLDERS' COMMUNICATION**

Ongoing engagement and communication with stakeholders build trust and understanding between the Group and its stakeholders. It provides stakeholders a better appreciation of the Group's objectives and the quality of its Management. This in turn will assist stakeholders in evaluating the Group and facilitate shareholders to determine how their votes should be exercised. From the Group's perspective, communication with



stakeholders provides an avenue for invaluable feedback that can be used to understand stakeholders' expectations and to develop business strategies.

### **10.1 Investor Relations**

The principles governing the Board's stakeholders' communication initiatives are as follows:

- (a) The Group Managing Director and the Chairman or in their absence any other Board Members authorized by the GMD or Chairman will be the spokesperson of the Board.
- (b) The Board regards the Annual General Meeting as an important event in the corporate calendar of which all Directors and the relevant key senior management should attend.
- (c) The Board will leverage its corporate website to report its financial results (on quarterly basis) and material developments to the Exchange, its shareholders and other stakeholders in an open, timely and comprehensive manner;
- (d) The Board will give reasonable access to analysts and media to form their opinion about the Group, but will not seek to influence those opinions. Also, the Board will not give information to the analysts and media that is not available to the general public; and
- (e) The Board will meet with its stakeholders through appropriate platform and channel to inform and obtain feedback from stakeholders.
- (f) The Board encourages full participation of shareholders at all Annual General Meetings (AGM) to ensure a high level of accountability and discussion of the Company's strategy and goals. The Company will also invite the external auditor to attend the AGM and be available to answer shareholders' questions about the conduct of the audit and preparation and content of the auditors' report;
- (g) The Board ensures the publishing of the summary of all key matters discussed at the annual general meeting on the Company's website as soon as practicable after the conclusion of the annual general meeting pursuant to the MMLR; and
- (h) All Directors shall attend the general meeting and allows shareholders to raise questions and concerns directly to the Chair of the Audit Committee, Nomination Committee, Remuneration Committee or any other directors to provide meaningful response to questions addressed to them.

### **10.2 Other Stakeholders**

As a corporate citizen, the Board is cognizance of formulating strategies that promote sustainability and stakeholders' interests through internal policies. In this regard, the needs and interests of stakeholders are categorized as follows:

#### **10.2.1 Employees**



Employees are invaluable assets of the Company and play a vital role in helping the Company to achieve its vision and mission. The Board endeavours to provide a conducive working environment in their workplace and adopts a comprehensive and documented policies and procedures in Occupational Safety and Health with the objective of ensuring safety and health at the workplace for all employees.

#### **10.2.2 Sustainability Social Responsibility**

The Board acknowledges that the Company should pay an important role in contributing towards the welfare of the community in which it operates, and shall continuously identify opportunities supporting charitable causes and initiatives in community developments projects.

#### **10.2.3 Environment**

The Board acknowledges the need to safeguard and minimize the impact to the environment in the course of achieving the Company's objectives. The Board's agenda reflects the commitment to economic support for longer term sustainability with a focus on the positive impact on the environment, community and society.

### **11. COMPANY SECRETARY**

The Board is supported by qualified and experienced named company secretaries who facilitate overall compliance with the Main Market Listing Requirements of Bursa Securities ("MMLR") and other relevant laws and regulations.

The Board appoints the Company Secretary, who plays an important role in good governance by helping the Board and its Committees function effectively and in accordance with their terms of reference and best practices.

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

- (a) Attend and ensure proper conduct and procedures at all Board Meetings, Board Committee Meetings, Annual General Meeting ("AGM"), Extraordinary General Meeting ("EGM") and any other meetings that require the attendance of Company Secretary and ensure that meetings are properly convened;
- (b) Ensure that the quarterly financial results, audited financial statements, annual reports, circulars, etc. and all relevant announcements are announced to Bursa Malaysia and Securities Commission on a timely basis;
- (c) Advise the Board on corporate disclosure and compliance with the Main Market Listing Requirements and the requirements of the relevant authorities;
- (d) Advise the Board and Board Committees on their roles and responsibilities;



- (e) Advise the Directors of their obligations to adhere to matters relating to:
  - (i) disclosure of interest in securities;
  - (ii) disclosure of any conflict of interest in a transaction involving the Company;
  - (iii) prohibition on dealing in securities; and
  - (iv) restrictions on disclosure of price-sensitive information.
- (f) Inform and keep the Board updated of the latest enhancement in corporate governance, changes in the legal and regulatory framework, new statutory requirements and best practices to meet the compliance needs and stakeholders' expectations;
- (g) Manage processes pertaining to annual shareholder meeting;
- (h) Serve as a focal point for stakeholders' communication and engagement on corporate governance issues;
- (i) Keep the Directors and principal officers informed of the closed period for trading in the Company's shares; and
- (j) Ensure proper record and maintenance of the Company's proceedings, resolutions, statutory records, register books and documents.

In order to carry out his function effectively, Company Secretary should possess the knowledge and experience covering the knowledge in company and securities law, finance, governance, company secretaryship and listing requirements and undertake continuous professional development.

## **12. CONFLICT OF INTEREST**

Directors are required to take all reasonable steps to avoid actual, potential or perceived conflict of interests with the Group's interest.

Should there be actual, potential or perceived conflict of interests between the Group and Board Members or person connected with the Board Members such as spouse, other family members, or a related company, the interested Board Member shall make full disclosure in bona fide and act honestly in the best interests of the Group and shall not participate in deliberations and shall abstain himself/ herself from casting his/ her vote in any matter arising thereof.

## **13. CODE OF ETHICS AND CONDUCT**

The Company's Code of Ethics and Conduct sets the principles and standards of business ethics and conduct of the Group and to be observed by all the directors, employees and officers at all times to protect and promote the reputation and performance of the Group.



The Board undertakes a review of the Code of Ethics and Conduct annually to ensure that this code is current and relevant.

#### **14. WHISTLEBLOWING POLICY**

The Company has established a whistle-blowing policy to enhance the practices of corporate governance across the Group. This whistle-blowing policy provides the Directors, officers, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group's policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties. The aim of this policy is to encourage the reporting of such matters in good faith, with the confidence that the person filing the report, to the extent possible, be protected from reprisal, victimisation, harassment or subsequent discrimination.

#### **15. REVIEW OF BOARD CHARTER**

The Board shall review this Charter annually and make necessary or desirable amendments to ensure that the Charter remains consistent with the Board's objectives, current regulation requirements and governance best practice.

The Board Charter was reviewed and approved by the Board on 18 December 2024 and is made available for reference at the Company's website, <http://www.cab.com.my>.