PARKLAND BERHAD

[Registration No. 202101008874 (1409173-M)]
(Incorporated in Malaysia)

BOARD CHARTER

1. INTRODUCTION

The Board of Directors ("**Board**") of Parkland Berhad ("**Parkland**" or the "**Company**") collectively leads and is responsible for the success of the Company and its subsidiaries ("**Group**") by providing entrepreneurial leadership and direction as well as supervision of the management. The Board has primary responsibility for the governance and management of the Company, and fiduciary responsibility for the financial and organisational health of the Company.

This board charter ("**Board Charter**") serves as a reference point for the Board activities, governance structure, authority, terms of reference ("**TOR**") of the Audit and Risk Management Committee, Nominating Committee, Remuneration Committee and any other committees deemed necessary by the Board (collectively, the "**Board Committees**") and senior management of the Company ("**Senior Management**"). It should not be construed as an exhaustive blueprint for the Board operations. The objectives of this Board Charter are to ensure that all the Board members are aware of their duties and responsibilities and the various legislations and regulations affecting their conduct and that the Principles, Practices and Guidance of corporate governance are applied in all their dealings for and on behalf of the Group.

This Board Charter is governed by, where applicable, the Constitution of the Company, the Companies Act 2016 ("**Act**"), the Malaysian Code on Corporate Governance ("**MCCG**"), the Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries (issued by the Securities Commission Malaysia), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**MMLR**"), applicable regulatory and legislative requirement and other good practices on corporate governance.

2. BOARD STRUCTURE

2.1. Board Composition

2.1.1. The Board shall comprise a balance of Executive Directors and Non-Executive Directors (including Independent Non-Executive Directors), such that no individual or a group of individuals can dominate the Board's decision making.

2.1.2. The Board should consist of qualified individuals with diverse set of skills, experiences, knowledge and cultural background to safeguard that there is sufficient diversity and independence in facilitating the discussion, review and decision making in order to effectively discharge the Board's roles and responsibilities for the benefit of the Group and its business operations.

2.1.3. The Constitution of the Company states that unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2) and not more than nine (9). The Group must ensure that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors. Independent Director shall have the meaning as defined under Paragraph 1.01 of the MMLR. The composition and size of the Board shall be reviewed from time to time to reflect the Company's requirements and to ensure the Board's effectiveness.

2.1.4. In the event of any vacancy in the Board, resulting in the non-compliance with Clause 2.1.3 above, such vacant position must be filled within three (3) months. Further, the appointment of a new member to the Board is only made after consultation with the Nominating Committee.

2.1.5. Pursuant to Paragraph 15.06 of the MMLR, each Director must not hold more than five (5) directorships in public listed companies and shall notify the Board's Chairman (vide the Company Secretary) before he/she accepts any new directorships.

2.1.6. The Board acknowledges the importance to promote gender diversity and the requirements of the MCCG where it shall comprise at least 30% women Directors or mandate the inclusion of at least one (1) woman Director on the Board, as specified in Paragraph 15.02(1)(b) of the MMLR. The Board discloses in the annual report of the Company the policy on gender diversity for the Board and Senior Management. The Board through the Nominating Committee will continuously review the Board composition taking into consideration the appropriate competence, experience, character, integrity and time to effectively discharge his/her role as Director.

2.1.7. Independent Directors must be independent of management and free from any business or other relationship which could interfere with the exercise of business judgement or the ability to act in the best interests of the Group. He/She provides independent judgement, experience and objectivity without being subordinated to operational considerations. The views of the Independent Directors should carry significant weight in the Board's decision-making process. Further, Independent Directors help to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

2.2. Duties and Responsibilities of the Board

The Board should objectively discharge their fiduciary duties and responsibilities at all times in the interests of the Company. The Board must act with integrity, led by example, keep abreast of his/her responsibilities as a Director and of the conduct, business activities and development of the Company. The duties and responsibilities of the Board are as follows:

2.2.1. 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 interests of the Company. The Directors, collectively and individually, are aware of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Group are managed. The Board sets the Group's values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

2.2.2. The Board understands that the responsibility for good corporate governance rests with them and therefore strives to follow the principles and best practices stated in the MCCG. The Board provides an overview in the Company's annual report the application of the Principles and best practices set out in the MCCG pursuant to Paragraph 15.25 of the MMLR.

2.2.3. Duties of the Board include establishing the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the management of the Company ("**Management**") and monitoring the performance of the Management.

2.2.4. The principal responsibilities of the Board shall include but not limited to the following:

(a) To ensure that the strategic plan of the Company supports long-term value creation and includes strategies on economic, environmental, social and governance (ESG) consideration underpinning the sustainability of the Group in the Group's strategies, business plans, major plans of action and risk and opportunity management;

(b) To oversee and understand the conduct of the Group's businesses and sustainability issues relevant to the Company and its business (including climate-related risks and opportunities) and evaluate whether the businesses and sustainability issues are being properly managed and targets set are achieved. Further, strategies, priorities and targets set as well as performance against these targets shall be communicated to internal and external stakeholders;

(c) To understand the principal business and business sustainability risks faced by the Group and ensure implementation of a sound framework for internal controls and risk management system to manage these risks;

(d) To conduct regular performance evaluations of the Board by including the review of the performance of the Board and Management in addressing the Company's material sustainability risks and opportunities;

(e) To promote good corporate governance culture within the Group together with the Senior Management which reinforces ethical, prudent and professional behavior, including overseeing the ethical conduct of business and preventing bribery in the Group's business;

(f) To review, challenge and decide on the Management's proposals for the Company, and monitor its implementation by the Management;

(g) To set the risk appetite within which the Board expects the Management to operate and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks faced by the Group;

(h) To monitor the Management's performance and business results;

(i) To ensure the Senior Management has the necessary skills and experience, and there are proper and robust succession planning procedures in place. This includes, but not limited to, implementation of appropriate system(s) for recruitment, training, monitoring and replacement of Senior Management personnel;

(j) To review the adequacy and integrity of the Group's internal control and risk management system;

(k) To establish procedures to assess any related party transactions or conflict of interest situations that may arise within the Group, including any transaction, procedure or course of conduct that raises questions of Management integrity;

(l) To oversee the development and implementation of an investor relations programme or shareholders' communication policy for the Group to enable effective communication with stakeholders;

(m) To ensure that the Board has adequate procedures in place to receive reports on a timely manner, so that the Board has reasonable grounds to make proper judgement on financial matters and business prospects of the Group on an ongoing basis and form a view on the information presented;

(n) To establish and ensure the effective functioning and monitoring of the Board Committees, to delegate powers to such committees, and to review the reports prepared by the Board Committees and deliberate on the recommendations thereon;

(o) To review and approve the Company's annual reports and unaudited periodic financial statements as required by the relevant regulators and authorities including, but not limited to, other published financials and materials as well as significant statements issued to shareholders;

(p) To establish an adequate Group-wide framework for co-operation and communication between the Company and its subsidiaries to assist the Board in discharging its responsibilities, including oversight of Group's financial and non-financial performance, business strategy and priorities, risk management including material sustainability risks and corporate governance policies and practices;

(q) To establish and ensure the Group-wide framework on corporate governance, includes a code of conduct and ethics, and policies and procedures addressing and managing anti-corruption, whistleblowing, conflict of interest, including potential conflict of interest between any Director and/or persons connected with the Directors and the Group, material sustainability risks and board diversity, including gender diversity;

(r) To ensure that the Group adheres to high standards of ethics and corporate behaviour; and

(s) To ensure full compliance and to perform such other functions as prescribed by the relevant provisions of the MMLR, the Act, the MCCG and all applicable guidelines, laws, rules and regulations.

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

(a) Appointment of the Chairman;

(b) Appointment and removal of Director(s);

(c) Appointment of Director(s) to fill a casual vacancy or as additional Directors;

(d) Approval of annual business plan or budget;

(e) Strategic issues and planning, including sustainability;

(f) Quarterly financial results and audited financial statements;

(g) Dividend policy or declaration of dividends;

(h) Any corporate restructuring matters;

(i) Material acquisitions and disposals of undertakings, properties, business/companies, divestment, funding and significant capital expenditures;

(j) New venture of business;

(k) Related party transactions and recurrent related party transactions;

(l) Conflict of interest issues relating to a substantial shareholder or a Director;

(m) Authority limits, including any amendments thereto;

(n) Appointment and removal of external auditors and their audit fees;

(o) Appointment and removal of Company Secretary;

(p) Treasury or investment policies and matters;

(q) Risk management policies;

(r) Financing required by the Group, including giving of any guarantee (except bank guarantees in connection with the operating business) or indemnity or the creation or issue of any debenture, mortgage, charge or other securities or interests over its assets by the Group;

(s) Human resource matters relating to Senior Management;

(t) Constitution of the Company including any amendments thereto; and

(u) Any other specific matters nominated by the Board from time to time.

2.2.6. In overseeing the conduct of the Group's businesses, the Board shall ensure that an appropriate financial planning, operations and reporting framework as well as an embedded risk management framework is established. Elements under this combined framework include the strategic business plan and budget, financial statements, performance review reports and risk management reports.

2.2.7. The Board as well as any Director may seek independent professional advice relating to the affairs of the Group or his/her responsibilities as a Director, at the Company's expense. If a Director considers such advice as necessary, for the benefit of the Company, such director shall first discuss it with the Group Managing Director ("**GMD**") and having done so, shall be free to proceed, where appropriate. The Director must also ensure that it is practicable and the cost is reasonable.

2.3. Chairman and GMD

The Board recognises the importance of having a clearly accepted division of power and responsibilities by the head of the Company to ensure a balance of power and authority.

Therefore, the positions of the Chairman and the GMD must be held by different individuals. The Chairman must be a non-executive member of the Board and must not be a member of the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee. Having the same person assume the positions of Chairman of the Board, and Chairman of the Audit and Risk Management Committee, Nominating Committee or Remuneration Committee gives rise to the risk of self-review and may impair the objectivity of the Chairman and the Board when deliberating on the observations and the recommendations put forth by the Board.

2.3.1. Role of Chairman

The Chairman is responsible for the following:

(a) Providing leadership for the Board in setting the direction and policies of the Group so that the Board can perform its responsibilities effectively, with the assistance of the Board Committees and Management;

(b) Chairing Board meetings and discussions and acting as a facilitator in the meeting and ensuring appropriate level of interaction among Board members;

(c) Encouraging active participation at Board meetings and allowing dissenting views to be freely expressed;

(d) Taking the lead in setting the values and standards, as well as adopting and implementing good corporate governance practices in the Company;

(e) Ensuring complete and accurate information is furnished to Board members on a timely basis to facilitate decision-making;

(f) Setting the Board meeting agendas and ensuring adequate time is allocated for discussion of issues tabled to the Board for deliberation;

(g) Chairing general meetings and ensuring orderly conduct and proceedings of such meetings;

(h) Representing the Board to shareholders and ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;

(i) Ensuring compliance with all relevant regulation and legislations;

(j) Managing the interface between the Board and Management;

(k) Maintaining regular dialogue with the GMD on overall operational matters and consulting with the remainder of the Board promptly over any matters that gives him/her cause for major concern; and

(l) Facilitating the contribution of Non-Executive Directors and ensuring constructive relations are maintained between Executive and Non-Executive Directors.

2.3.2. Role of the GMD

The position of the GMD, in essence, is to ensure the effective implementation of the Group’s business plan and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure its smooth operation.

Generally, GMD is responsible to the Board for the following key functions:

(a) Steering and directing the business of the Group’s core operations as well as its various investments to ensure maximum financial return through synergetic application and implementation of the Group’s business model and branding;

(b) Developing, implementing and monitoring corporate strategies and business development for the Group;

(c) Managing the team such that they deliver the strategies and plans as approved by the Board;

(d) Leading in setting the Group's sustainability strategies, priorities and targets, as well as driving the strategic management of the Group's material sustainability matters;

(e) Ensuring the Company has an effective management team and structure as well as develop management skills and putting in place an effective management succession plan to sustain continuity of operations. The succession planning, including ensuring that processes are in place to recruit Senior Management with the highest standards of integrity and competence, and to train, develop and retain them;

(f) Coordinating business plans with the Head of Departments, coordinating management issues through the Board, and overseeing divisional function groups and cost containment process in consultation with the Group Financial Controller / Senior Finance Manager;

(g) Ensuring the efficiency and effectiveness of the operations for the Group 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;

(h) Achieving the Company's goals and adhering to the Management authorities delegated by the Board;

(i) Providing and maintaining ongoing engagement and communication with shareholders, public, media, government bodies and other stakeholders in order to build trust and understanding between the Group and its stakeholders;

(j) Being the official spokesman for the Company and responsible for regulatory, governmental and business relationships;

(k) Ensuring that the financial management practice is performed at the highest level of integrity and transparency; and

(l) Ensuring that effective internal controls for the Group are instituted.

2.3.3. Executive Directors

The Executive Directors are responsible for the following key functions:-

(a) Developing strategic direction of the Group;

(b) Ensuring Board decisions are implemented and Board directions are responded to;

(c) Providing directions in the implementation of short and long-term business plans;

(d) Providing strong leadership i.e., effectively communicating a vision, management philosophy and business strategy to the employees;

(e) Keeping the Board fully informed of all important aspects of the Group's operations and ensure sufficient information is distributed to Board members; and

(f) Ensuring day-to-day business affairs of the Group are effectively managed.

2.3.4. Independent Non-Executive Directors

The Independent Non-Executive Directors are responsible for the following key functions:-

(a) Providing and enhance the necessary independence and objectivity to the Board;

(b) Ensuring effective checks and balances on the Board;

(c) Mitigating any possible conflict of interest in policy-making process and the day-to-day management of the Group;

(d) Constructively challenging and contributing to the development of business strategy and direction of the Group; and

(e) Ensuring that adequate systems and controls to safeguard the interests of the Group are in place.

2.4. Appointments

2.4.1. The appointment of a new Director or re-appointment of a retiring Director is a matter for consideration and a decision by the full Board upon appropriate recommendation from the Nominating Committee.

2.4.2. In making the recommendations, the Nominating Committee shall consider amongst others:-

(a) character, competency, knowledge, expertise and experience ;

(b) professionalism;

(c) integrity and credibility;

(d) fit and properness;

(e) time commitment, particularly his number of other directorships;

(f) in the case of the candidates for the position of Independent Non-Executive Directors, the Nominating Committee would also evaluate the candidates' ability to discharge such responsibilities or functions as expected from Independent Non-Executive Directors; and

(g) such other criteria and attributes that may be deemed relevant by the Nominating Committee.

2.4.3. The Board shall also provide a statement in the annual report as to whether it supports the appointment or re-appointment of the candidate and provide the reasons for its support.

2.4.4. New Directors are expected to have such expertise so as to qualify them to make a positive contribution to the Board performance of its duties and to give sufficient time and attention to the affairs of the Company.

2.4.5. The Company Secretary has the responsibility of ensuring that relevant procedures relating to the appointments of new Directors are executed in accordance with regulatory requirements.

2.4.6. Upon the appointment of a new Director, the Company Secretary advises the Director of his/her principal duties and responsibilities and explains the restrictions to which he/she is subject to in relation to price-sensitive information and dealings in the Company's securities. Thereafter, all Directors are provided with appropriate briefings on the Company's affairs and up-to-date corporate governance materials published by the relevant bodies.

2.4.7. Pursuant to Paragraph 15.03 of the MMLR, a newly appointed Director shall provide to Bursa Securities an undertaking in the form as may be prescribed by Bursa Securities immediately after the said Director's appointment or in any event not later than fourteen (14) days after the appointment.

2.5. Induction and Training for Directors

2.5.1. The Company has adopted an induction programme for newly appointed Directors. The induction programme aims at communicating to the newly appointed Directors on the Company's vision and mission, its philosophy and nature of business, current issues within the Company, the corporate strategy and the expectations of the Company concerning input from Directors. Induction of new Director may include, but not limited to, the following:-

(a) provision of a copy of this Board Charter, recent Board minutes, relevant company policies, most recent annual and interim reports to shareholders and information on the time commitment needed, as well as specific information about the Group;

(b) meetings with relevant management; and

(c) site visits to major operating locations.

2.5.2. The Company has adopted educational / training programmes to update the Board in relation to new developments pertaining to the laws and regulations and changing commercial risks which may affect the Board and/or the Company.

2.5.3. All newly appointed Directors are required to complete the Mandatory Accreditation Programme ("**MAP**") required under the MMLR.

2.5.4. In addition to the MAP Part I and II as required under the MMLR, Directors are required to attend relevant training courses/seminars organised by the relevant authorities and/or professional bodies at periodic intervals to keep them abreast with the latest development pertaining to the oversight function of Directors as well as continuing education programmes in order to update their knowledge and skills to sustain their active participation in Board deliberations and effectively discharge their duties. The Board with the assistance of Nominating Committee, shall assess the training needs of the Directors from time to time, to ensure that Directors have access to appropriate continuing education programmes. Training courses/seminars attended by the Directors during the financial year concerned will be disclosed in the annual report.

2.5.5. All Directors are expected to make proper and timely disclosure of new directorships in public companies to the Company Secretary.

2.5.6. The Board shall assess the independence of Directors on an annual basis.

2.5.7. The Board should undertake a formal and objective annual evaluation to determine the effectiveness of the Board, its committees and each individual Director. The Board should disclose how the assessment was carried out, its outcome, actions taken and how it has or will influence Board composition.

2.6. Tenure of Director

2.6.1. Pursuant to the Constitution of the Company, an election of Directors shall take place each year. At the first Annual General Meeting ("**AGM**"), all the Directors shall retire from office and an election of Directors shall take place each year at the AGM in every subsequent year 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 all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the AGM at which he retires.

2.6.2. The Directors to retire in each year shall be the Directors who have been longest in office since their last election, but as between persons who became Directors on the same day, the Directors to retire shall (unless they otherwise agree among themselves) be determined by lot.

2.6.3. The Nominating Committee should ensure that the composition of the Board is refreshed periodically. The tenure of each Director should be reviewed by the Nominating Committee and annual re-election of a Director should be contingent on satisfactory evaluation of the Director's performance and contribution to the Board by the Nominating Committee, to be aligned to the Board's capabilities with the Company's strategic direction.

2.6.4. The tenure of an Independent Director should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director. The Board may, subject to the assessment of the Nominating Committee on an annual basis, retain an Independent Director beyond nine (9) years, subject to valid justification and seek annual shareholders' approval through a two-tier voting process as guided by the MCCG, as follows:

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

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

The decision for the resolution is determined based on the simple majority of votes of Tier 1 and a simple majority of votes of Tier 2. If there is more than one (1) Large Shareholder, a simple majority of votes determine the outcome of the Tier 1 vote. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. However, the resolution is deemed to be defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

2.6.5. An Independent Director must resign/retire from the Board or be redesignated as a Non-Independent Director when his/her tenure exceeds a cumulative term of twelve (12) years.

2.6.6. If an individual has served as an Independent Director for a cumulative period exceeding twelve (12) years, followed by the mandatory 3-year cooling off period, there is a requirement to provide justification for their appointment as an Independent Director in the statement accompanying a notice of AGM and the immediate announcement in relation to the appointment of such Independent Director.

2.7. Supply of Information

2.7.1. The Board should have unrestricted access to all information pertaining to the Group, including access to the advice and services of the Company's auditors, consultants, Company Secretary, which is relevant in furtherance of their duties and responsibilities as Directors of the Company at the expense of the Company. Management should supply accurate and complete information to the Board in a timely manner to enable the Board to discharge its duties effectively.

2.7.2. Directors are expected to strictly observe the confidentiality of the Company's information. Directors are refrained from making improper use of information gained through the position of Directors for their own interest, or their employees' interest, if applicable.

2.7.3. The Chairman, assisted by the Company Secretary, assesses the type of information required to be provided to the Board. If the information provided by the Management is insufficient, the Board will make further enquiries where necessary to which the persons responsible will respond as fully and promptly as possible.

2.8. Independent Professional Advice

2.8.1. In discharging the Directors' duties, each Board member is entitled to obtain independent professional advice at the expense of the Company. This is for advice deemed relevant and necessary for the Directors to discharge their duties for the overall benefit of the Group.

2.8.2. In such circumstances, the Director shall first discuss it with the Chairman and provide the request to seek professional independent advice for the Board's consideration and approval. It must be noted that such restriction shall not apply to Executive Directors acting in his/her capacity in furtherance of his/her executive responsibilities and within his/her delegated powers.

2.8.3. Subject to the prior approval of the Chairman, the cost of the advice shall be reimbursed by the Company but the Director concerned shall ensure, so far as it is practicable, that the cost is reasonable.

2.9. Board Meetings

2.9.1. The Board shall conduct at least four (4) meetings annually, with additional meetings to be convened as and when necessary. The Company Secretary shall in advance prepare and distribute a timetable for all required to attend the meetings.

2.9.2. In the absence of the Chairman, the members present shall elect a Chairman from amongst themselves to chair the meeting. The Chairman encourages constructive and healthy debate and allows the Directors to freely express their views or share information with their peers in the course of deliberation as a participation Board.

2.9.3. Personal attendance of Board members at meetings is preferred. However, the Board and Board Committees may hold meetings at two (2) or more venues using any technology (for example: teleconferencing) that gives all members of the Board or the relevant Board Committee a reasonable opportunity to participate in the meeting. The physical presence of Director(s) is not compulsory and participation at such Board meeting in the aforesaid manner shall be regarded as personally attending or shall be deemed to be present in person at such meeting. The Directors participating at any such Board meeting shall be counted in the quorum. Senior Management personnel may be invited to attend meetings for particular items within their responsibility. The Board may also invite external parties such as the auditors, solicitors and consultants as and when the need arises.

All resolutions agreed upon by the Directors at such a meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. All information and documents must be made equally available to all participants prior to, at or during the Board meeting. The participation in a meeting by means of a conference telephone or similar electronic telecommunication device shall be treated with confidence, and he/she shall prevent any leakage of information/materials to any third party.

2.9.4. In the event matters requiring the Board's decision arise between Board Meetings, such matters shall be resolved through Directors' Circular Resolutions ("**DCRs**") which shall be supported by relevant papers setting out details of the subject matter. Such DCRs signed or approved by a majority of the Directors entitled to receive notice of a meeting of the Directors, if transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by the Director shall be as valid and effectual as if it were a resolution duly passed at a Board Meeting. Such resolutions may consist of several documents in like form, each signed by one or more Directors or their alternates.

2.9.5. All resolutions of the Board shall be decided by a majority of votes, each member have one (1) vote. In the case of equality of votes, the Chairman of the meeting shall have a second or casting vote. The Chairman of the meeting shall however not have a second or casting vote where two (2) Directors form a 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.

Directors are required to inform the Board of conflicts or potential conflict of interest that they may have in relation to a particular subject matter or business transaction. These Directors shall not participate and to abstain from deliberation and voting on those matters.

2.9.6. The notice of a Board meeting with a full agenda is circulated to all Directors at least five (5) business days prior to the Board meeting allowing Directors sufficient time to review the same except in the case of emergency, reasonable notice of all meetings of Directors shall be given in writing. The Board shall record its deliberations and decisions, in terms of the issues discussed and the conclusions thereof in discharging its duties and responsibilities. The agenda shall address high-priority strategic and operational issues where necessary, and ensure that there is sufficient time for discussion.

2.9.7. Draft minutes of the Board meeting shall be circulated to the Board members within a reasonable timeframe after the meeting. The Board shall ensure the meeting minutes accurately reflect the deliberation and decisions of the Board, including any dissenting view and if any Director had abstained from voting or deliberating on a particular matter, as well as the rationale behind those decisions. The minutes shall be approved by the Board at the next Board meeting. Full Board minutes of each Board meeting are kept by the Company Secretary and are available for inspection by any Director during office hours.

2.9.8. Board papers and agenda items are to be circulated to all Directors at least five (5) business days prior to the Board meeting to allow ample time for Directors to consider the relevant information. Directors are expected to review in advance Board papers to facilitate meaningful deliberation during each meeting.

2.9.9. In addition to the above, subject to relevant laws and guidelines, the following should be observed by the Board:

- All Directors must meet the minimum 50% attendance of the Board meetings held in each financial year or such other percentage as may be prescribed by the MMLR;
- the quorum of the meetings shall be, unless otherwise determined, two (2) Directors however that in case the number of Directors is less than two (2), the quorum will consist of all Directors in which case, the Chairman of the meeting shall not have a casting vote, pursuant to the Constitution of the Company; and
- the participation of the Director can be facilitated by means of video or teleconferencing.

2.9.10. In lieu of meeting, the Board is allowed to carry out resolutions by way of circulation.

3. BOARD COMMITTEES

The Board may from time to time establish committees and delegate certain functions to the Board Committees as it considers necessary or appropriate to assist it in carrying out its duties and responsibilities. However, the Board will not delegate any of its decision-making authority to those committees. Each Board Committee will have the authority to examine issues within its TOR and make the necessary recommendations to the Board for its consideration and decision making. The Board appoints the following Board Committees with specific TOR:

- Audit and Risk Management Committee
- Nominating Committee
- Remuneration Committee

The roles and responsibilities of the abovementioned Board Committees are set out in the TOR of each Board Committee approved by the Board. Formal minutes of each committee meeting will be prepared and circulated to each Director within the time frame set out in the relevant committee's TOR, together with a clear list of recommendations and/or other matters and issues for the consideration of the full Board at the next Board meeting.

Independent Non-Executive Directors play a leading role in these Board Committees. 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.

The TOR of each Board Committee is available on the Company's website at https://parklandgroup.my/ .

4. GENERAL MEETINGS

The notices convening general meetings shall specify the place, day and hour of the general meeting, and shall be given to all shareholders at least fourteen (14) days before the general meeting or at least twenty-eight (28) days before the general meeting where any special resolution is to be proposed or where it is an AGM.

Any notice of a general meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.

In situation which warrants hybrid general meeting to be conducted, the Board shall consider leveraging technology to facilitate electronic voting and remote shareholders participation and shall ensure the required infrastructure and tools are in place to amongst others, support smooth broadcast of the meeting, voting and interactive participation by shareholders.

The Chairman of the Board should ensure that general meetings support meaningful engagement between the Board, Senior Management and shareholders. The engagement should be interactive and include robust discussion on among others the Company's financial and non-financial performance as well as the Company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should be made visible to all meeting participants during the meeting itself and receive a meaningful response.

All voting on resolutions in all general meetings would be conducted via poll voting. In addition, minutes of general meeting shall be circulated to shareholders no later than thirty (30) business days after the general meeting.

4.1. AGM

4.1.1. The Company regards the AGM as an important event in the corporate calendar which all Directors and key Senior Management should attend.

4.1.2. The Board regards the AGM 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.

4.1.3. The Chairman encourages active participation/engagement between the Board, Senior Management and shareholders during the AGM.

4.1.4. The Chairman and, where appropriate, the GMD and other Directors respond to shareholders' queries during the meeting.

4.2. Extraordinary General Meeting (“EGM”)

4.2.1. The Directors will consider requisitions by shareholders to convene an EGM or any other urgent matters requiring immediate attention of the Company, provided such requisitions accord with the Company’s Constitution and/or provisions of the Act.

5. RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

5.1. The Board shall maintain an effective communications policy that enables both the Board and Management to communicate effectively with its shareholders, stakeholders and the general public.

5.2. The Board ensures timely release of announcements to Bursa Securities, which include quarterly financial results, material contracts awarded and any other material information that may affect investors’ investment decision.

5.3. The Company conducts dialogues with financial analysts from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Group's performance, corporate strategy and other matters affecting shareholders' interests.

5.4. The Company's website, https://parklandgroup.my/, provides easy access to corporate information pertaining to the Company and its activities and is continuously updated.

6. COMPANY SECRETARY

6.1. The appointment and removal of the Company Secretary are the matters for the Board.

6.2. The Company Secretary shall be a person who is qualified pursuant to Section 235 of the Act.

6.3. The Company Secretary shall be suitably qualified, competent and capable of carrying out the duties required of the position.

6.4. The key roles of the Company Secretary are to provide unhindered advice and services for the Directors, as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.

6.5. The main responsibilities of the Company Secretary shall include, but not limited to the following:

(a) Manage all the Board and Board Committees meeting logistics, attend and record minutes of all Board and Board Committees meetings and facilitate the Board communications;

(b) Advise the Board on its roles and responsibilities, particularly the additional or changes in obligations arising from the implementation of the new laws and regulations or any amendments thereof;

(c) Facilitate the orientation of new Directors and assist Directors in training and development;

(d) Advise the Board on corporate disclosures and compliance with the Company's Constitution, the Act, the MCCG, securities regulations and MMLR;

(e) Manage processes pertaining to the AGM and EGM;

(f) Ensure timely dissemination of information relevant to Directors' roles and functions and keeping them updated on new or evolving regulatory requirements;

(g) Monitor corporate governance developments and assist the Board in applying corporate governance practices to meet the Board's needs and stakeholders' expectations;

(h) Serve as focal point for stakeholders' communication and engagement on corporate governance issues; and

(i) Carry out other functions as deemed appropriate by the Board from time to time.

6.6. The Board members shall have unlimited access to the professional advice and services of the Company Secretary.

6.7. The office of the Company Secretary shall be vacated if the Company Secretary resigns by notice in writing to the Company at the Registered Office of the Company. Where a Company Secretary gives notice of resignation to the Directors, the Company Secretary shall cease to act as Company Secretary with immediate effect or on the date specified in such notice (as the case may be). The office of the Company Secretary shall not be left vacant for more than thirty (30) days at any one time.

7. DIRECTORS' REMUNERATION

The performance of Directors is measured by the Directors' contribution and commitment to both the Board and the Company.

The fees and any benefits payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in a general meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree.

The Directors shall be paid all their travelling, hotel and other reasonable expenses properly and necessarily expended by them in the execution of their duties including any such expenses incurred in connection with attending and returning from meetings of Directors or Board committees or any other meetings of the Company in connection with the business of the Company in the course of the performance of their duties as Directors.

The Board shall provide a fair, reasonable and competitive remuneration for its Executive Directors to ensure that the Company attracts and retains high calibre Executive Directors who have the skills, experience and knowledge to increase entity value to the benefit of all shareholders.

The Board has adopted a Remuneration Policy which sets out the criteria to be used in recommending the remuneration package for Executive Directors, Non-Executive Directors and Senior Management of the Group, whereby the Remuneration Committee is responsible for reviewing and recommending matters relating to the remuneration of Directors and Senior Management.

8. CODE OF CONDUCT AND ETHICS

The Board, in discharging its role, is guided by the Code of Conduct and Ethics for Directors ("**Code**"). The Code requires Directors to observe high ethical business standards, honesty and integrity.

The Board is committed to promote professionalism and improve the competency of the Senior Management and employees. The Board must at all times act with upmost good faith and integrity towards the Group in any transaction and to act honestly.

The Company has in place the Code which is formulated to enhance corporate governance and the standard of professional and ethical practices 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.

The Board will review the Code as and when necessary to ensure that it remains relevant and appropriate.

A copy of the Code is available on the Company's website.

9. WHISTLEBLOWING POLICY

The Company has in place a whistleblowing policy ("**Whistleblowing Policy**") to manage improper conduct. The Whistleblowing Policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.

The Whistleblowing Policy provides an avenue for any Directors, stakeholders, employees and members of the public to report instances of unethical, unlawful or undesirable conduct, malpractices, illegal acts, as well as actual or suspected fraud and/or abuse, within the Group on a confidential basis without fear of intimidation or reprisal. Nothing in the Whistleblowing Policy shall interfere with other established operational policies and processes.

All disclosures pursuant to the Whistleblowing Policy are to be made to the Audit and Risk Management Committee. The Board shall be apprised of disclosure matters which are serious in nature or of grave repercussions.

The Board will review the Whistleblowing Policy as and when necessary to ensure that it remains relevant and appropriate.

A copy of the Whistleblowing Policy is available on the Company's website.

10. ANTI-BRIBERY AND CORRUPTION POLICY

The Company had in place an anti-bribery and corruption policy ("**ABC Policy**") which sets out the relevant principles, guidelines and requirements on how to deal with fraud, bribery and corrupt practices that may arise in the course of daily business and operation activities within the Group.

The Group is committed to conduct its business in an ethical and honest

manner, and to implement and enforce a system that ensure corrupt gratification is prevented. The Group has adopted a zero-tolerance approach against all forms of bribery and corrupt gratification and its associated activities.

The ABC Policy applies to all employees of the Group as well as external parties such as consultants, agents, representatives or other companies and individuals acting on the Group's behalf.

A copy of the ABC Policy is available on the Company's website.

11. INDEMNITY AND INSURANCE

The Board is responsible to consider appropriate insurance policy to mitigate liabilities of Directors and Management holding office in the Group.

12. DEALING IN SECURITIES

12.1 Directors must adhere to the prescribed process and requirements when dealing in the securities of the Company as mentioned in Chapter 14 of MMLR so as to ensure compliance with the MMLR.

12.2 Pursuant to Paragraph 14.02(c) of the MMLR, "Dealings" includes any one or more of the following actions, whether undertaken as principal or as agent:

(i) acquiring or disposing of securities or any interest in securities;
(ii) subscribing for or underwriting securities;
(iii) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into –
  (aa) any agreement for or with a view to acquiring or disposing of securities or any interest in securities;
  (bb) any agreement for or with a view to subscribing for or underwriting securities; or
  (cc) any agreement the purpose or avowed purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the values of securities; and
(iv) granting, accepting, acquiring, disposing of, exercising or discharging an option (whether for the call or put or both) or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in securities.

13. DISCLOSURE AND 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.

A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Group shall declare his interest in accordance with the Act and the Conflict of Interests Policy. The Director concerned shall not participate in deliberations and shall abstain from casting votes in any matter arising thereof unless as otherwise provided for in the Act and under Constitution of the Company.

Should there be an actual, potential or perceived conflict of interest between the Group or a related corporation and a Director, or an associate of a Director such as a spouse or other family members, the interested Director involved shall make full disclosure in *bona fide* and act honestly in the best interest of the Group.

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

For the purpose of the above-mentioned paragraphs, the Directors shall perform an annual self-declaration on independence (in respect of those who are Independent Directors) and conflict of interest for the Group's records.

14. REVIEW OF BOARD CHARTER

The Board Charter will be periodically reviewed and updated by the Board to ensure its relevance in assisting the Board to discharge its duties and responsibilities with any changes and development in the corporate laws and regulations that may arise from time to time and to remain consistent with the Board's objectives and responsibilities. A copy of this Board Charter is available on the Company's website.

This Board Charter was approved and adopted by the Board on 27 April 2026 and is made available for reference on the Company's website.

- The rest of this page has been intentionally left blank -