MAXLAND BERHAD

(Registration No. 199601026940 (399292-V))
(Incorporated in Malaysia)

BOARD CHARTER

1. OVERVIEW

The Board of Directors ("the Board") of Maxland Berhad ("the Company") collectively leads and is responsible for the success of the Company and its subsidiary and associate companies ("the 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 serves as a source reference and primary induction literature, providing insights to existing and prospective board members to assist the Board in the performance of their fiduciary duties as directors of the Company. It will also assist the Board in the assessment of its own performance and of its individual Directors.

2. BOARD STRUCTURE

2.1 Board Composition and Balance

The Board recognises the importance of independence and objectivity in the decision-making process. At least one-third (1/3) of the Board members comprises Independent Directors. Independent Directors shall have the meaning as defined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("LR").

The Board endeavours to keep its size at a reasonable level to ensure participation, involvement and effectiveness. The number of Directors shall not be less than five (5) (unless otherwise determine by the Company in general meeting) nor more than fifteen (15) as set out in the Company's Constitution. The Board shall from time to time examine its size with a view to determine the impact of its number upon its effectiveness.

The Board recognises the need for the composition to reflect a range of skill mix and expertise. High levels of professional skills and appropriate personal qualities are pre-requisite for directorships. Without limiting the generality of the foregoing, the qualifications for Board membership are the ability to make informed business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, relevant experience, the ability to appreciate the wider picture, ability to ask probing operational related questions, high ethical standards, sound practical sense, and total commitment to furthering the interests of shareholders and the achievement of the Company's goals.

2.2 The Board of Directors

The Board takes full responsibility for the performance of the Company and guides the Company towards achieving its short and long-term objectives, setting corporate strategies for growth and new business development while providing advice and direction to the Management to enable the Company to achieve its corporate goals and objectives.

A Director shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.

A Director shall at all times avoid conflicts of interest, and shall as soon as practicable after the relevant facts have come to his/her knowledge, declare the nature of his/her interest at a meeting of the directors of the Company. Every Director shall give notice to the Company of such events and matters relating to him/her as may be necessary or expedient to enable the Company and its officers to comply with the requirements of the Companies Act, 2016 ("CA").

2.3 Board Duties and Responsibilities

Having recognised the importance of an effective and dynamic Board, the Board members are guided by the area of responsibilities as outlined:

- Review and approve the annual corporate plan for the Group, which includes the overall corporate strategy, sustainability strategy, business development and marketing plan, human resources plan, financial plan, budget, regulatory plan and risk management plan;
- Review and approve strategic initiatives including corporate business restructuring or streamlining and strategic alliances;
- Oversee the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- To ensure that the Company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate responsibility;
- Identify principal risks and ensure the implementation of appropriate systems to manage these risks;
- Approve the nomination, selection, succession policies, and remuneration packages for the Board members, Board Committee members, Nominee Directors on the functional Boards of the subsidiaries and the Principal Officers, and the annual manpower budget for the Group, including managing succession planning, appointing, training, fixing the compensation of, and where appropriate replacing senior management or key management personnel;
- Approve the appointment, resignation or removal of Company Secretaries of the Company;

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

The Board is also mindful of the importance of building a sustainable business, and therefore takes into consideration the environmental, social and governance impact when developing the corporate strategy of the Group. The Board also ensures that the Company participates and undertakes activities in corporate social responsibilities.

2.4 Matters Reserved for the Board

To ensure that the direction and control of the Group are firmly in its hands, the matters reserved for the Board’s decision are as follows:

- approval of corporate plans and programmes;
- approval of annual budgets, including major capital commitments;
- approval of new ventures;
- approval of material acquisitions and disposals of undertakings and properties; and
- changes to the management and control structure within the Company and its subsidiaries (“the Group”), including key policies, delegated authority limits.

2.5 Authority of the Board

The Board derives its authority to act from the Constitution of the Company and laws, rules and regulations governing companies in Malaysia.

The Directors may exercise their authority and perform their duties on behalf of the Company in managing the Company within the scope and jurisdiction of the Constitution of the Company.

The Board is the ultimate decision maker of the Company, with the exception of matters requiring the approval of shareholders. The Board sets the strategic direction and vision of the Company with the express assistance of senior management of the Company. The Board is full responsible in its duties in leading, governing and monitoring the performance of the Company and ensuring management is able to execute its functions effectively.

2.6 Separation of Functions between the Chairman of the Board and Managing Director ("MD")

The roles of the Chairman and Managing Director of the Company are distinct. The distinct and separate roles of the Chairman and Managing Director, with a clear division of responsibilities, ensures a balance of power and authority, such that no one individual has unfettered powers of decision-making.

Managing Director is the highest ranking officer across the Group. He is responsible for the day-to-day business of the Group, within the authorities as delegated by the Board. The primary job tasks for the Managing Director are as follows:

a) Strategy development, monitoring and tracking;
b) Business development;
c) Regulation;
d) Performance management;
e) Human resources management;
f) Risk management; and
g) Stakeholder management.

2.7 Role of the Chairman of the Board

The Chairman is elected by the Board and will preside at all Board meetings and general meetings of the Company. The Chairman of the Board will ensure that procedural rules are followed in the conduct of meetings and that decisions made are formally recorded and adopted.

The Chairman of the Board carries out a leadership role in the conduct of the Board and the primary responsibilities of the Chairman are, amongst others, as follows:

- To lead the Board and to ensure the effectiveness of all aspects of the Board's role;
- To ensure the efficient organisation and conduct of the Board's function and meetings;
- To facilitate the effective contribution of all Directors at Board meetings;
- To promote constructive and respectful relations among Directors, and between the Board and management; and
- To ensure effective communication with shareholders and relevant stakeholders.

2.8 Role of MD

The MD holds the primary executive responsibility for the Group's business performance and manages the Group in accordance with the strategies and policies approved by the Board.

He is responsible for the day-to-day operations of the Group, within the authorities as delegated by the Board. The primary job tasks for the MD, amongst others, are as follows:

- focuses on the business and leads the senior management of the Company in making and implementing the day-to-day decisions on the business operations, managing resources and risks in pursuing the corporate objectives of the Group;
- to develop and implement corporate strategies for the Group;
- to ensure the efficiency and effectiveness of the Group's operations;
- to assess the business opportunities which have potential benefit to the Group;
- to bring material and other relevant matters to the attention of the Board in an accurate and timely manner; and
- to carry out other duties and responsibilities as may be delegated by the Board.

The MD shall be a Board member and have the capacity to appoint members of the Company management or appropriate personnel to join the Board as executive Directors.

In the absence of the MD, any of the Executive Director who is fully acquainted with the running of the Company day to day affairs shall be the person direct responsible for the overall running of the Company.

2.9 Role of the Executive Directors

The Executive Directors are involved in leadership roles overseeing the day-to-day operations and management within their specific areas of expertise or assigned responsibilities. They are also responsible for implementation strategic plans and policies set by the Board and to assist MD in discharging his duties. They represent the Company at the highest level and are decision makers on matters within their scope. They liaise frequently with the MD and with each other to lead the management to drive the Company and the Group forward.

2.10 Role of the Independent Directors

The Independent Directors are not executive directors of the Company and the Group. They are independent management and free from any significant business or other relationship with the Company and the Group. Hence, they are able to provide an unfettered and unbiased independent judgement and to promote good corporate governance in their role as Independent Directors.

Their various roles in the Board Committees also contribute towards the enhancement of corporate governance and controls within the Group.

The Board has adopted a definition of independent setting out the interests and relationships to be considered by the Board in assessing the independence of each director in accordance with Paragraph 1.01 of the LR.

The role of the Independent Director is to constructively challenge and help develop proposals on strategy include, inter alia:

- to make an independent assessment of the information, reports or statements, having regard to the directors' knowledge, experience and competence, to provide an independent view and demonstrate objectivity in reviewing and challenging the management's proposals at meetings;

- to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to keep abreast of industry issues, market development and trend, and enable them to sustain their active participation in board deliberations; and

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

2.11 Role of the Senior Independent Non-Executive Director

The Board may appoint a Senior Independent Director to whom the shareholders concerns can be conveyed by shareholders and the public.

The Senior Independent Non-Executive Director contributes by playing the following roles:

- ensuring all independent directors have an opportunity to provide input on agenda, advise the Chairman on quality, quantity and timeliness of the information submitted to the Management that is necessary or appropriate for the independent directors to perform their duties effectively;
- Consulting the Chairman regarding board meeting schedule to ensure the independent directors can perform their duties responsibly and with sufficient time for discussion of all agenda items;
- Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through the normal channels of contact with the Chairman or Executive Directors;
- Serve as the principal conduit between the independent directors and the Chairman on sensitive issues, for example issues arising from "Whistle-Blowing''; and
- Chair the meeting between the Non-Executive Directors where both the Chairman and Executive Directors do not attend.

2.12 Board Committees

Board Committees will be formed only when it is necessary to facilitate efficient decision-making.

Board Committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise in a separate Terms of Reference. Board Committees will only speak or act for the Board when so authorised.

The Board has established the following Board Committees, each with clearly defined Terms of Reference detailing also the Board Committees' authorities, roles and responsibility in order to enhance business and corporate efficiency and effectiveness:

i) Audit Committee;
ii) Remuneration Committee;
iii) Nomination Committee; and
iv) Risk Management Committee.

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.

2.13 Tenure of Directors

Pursuant to the Company's Constitution, 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), the number nearest to one-third (1/3), shall retire from office and be eligible for re-election, and an election of directors shall take place at each annual general meeting of the Company. Each director shall retire once in every three (3) years but shall be eligible for re-election.

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

Any director appointed by the Board during the financial year shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such meeting.

The tenure of the Executive Directors is tied to their executive office.

The tenure of an independent director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an independent director may continue to serve on the Board subject to the directors' re-designation as a non-independent director. For the Board to justify and seek shareholders' approval for retaining a person who has served in that capacity for more than nine (9) years, as an independent director, the Nomination Committee/Board must conduct a rigorous review to determine whether the Director is independent in character and judgment, taking into account the need for progressive refreshing of the Board. In the event, the Board intends to retain the Independent Director after the twelfth (12) years, the Board will seek annual shareholders' approval in line with the recommendation of the MCCG.

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

3. BOARDROOM DIVERSITY

The Board is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

The Board acknowledges the importance to promote gender diversity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. Thus, the Company does not set any specific target for female directors in the Gender Diversity Policy and will actively work towards having more female directors on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to professional experiences, business experiences, skills, knowledge, gender, age, ethnicity and educational background. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Board's composition (including gender and age) will be disclosed in the Company's Annual Report.

4. NOMINATION AND APPOINTMENTS

The appointment of a new Director is a matter for consideration and decision by the Board upon appropriate recommendation from the Nomination Committee.

In making the recommendation to the Board, the Nomination Committee will consider the required mix of skills, experience, character, integrity, competence, time commitment and diversity, where appropriate, which the Director brings to the Board.

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 devote sufficient time and attention to the affairs of the Company.

The Company Secretary shall have the responsibility of ensuring that relevant procedures relating to the appointments of new Directors are properly executed.

Upon appointment, new Directors are provided with comprehensive information on the Group to enable them to gain a better understanding of the Group's strategies and operations, and hence allow them to effectively contribute to the Board.

In the event of any vacancy in the Board, resulting in non-compliance with the LR, the Company must fill the vacancy within three (3) months.

5. DISQUALIFICATION OR VACATION OF OFFICE

The office of Directors shall ipso facto become vacant if the Director:

- if he ceases to be a Director by virtue of the Companies Act, 2016 ("the Act");
- if (not being the Managing or Deputy or Assistant Managing Director holding office as such for a fixed term) he resigns his office by notice in writing under his hand sent to or left at the Office;
- if he is absent from more than fifty per cent (50%) of the total Board of Directors' meetings held during a financial year, unless approval is sought and obtained from the Exchange;
- if he is removed from his office of Director by resolution of the Company in general meeting of which special notice has been given;
- if he becomes of unsound mind or a person whose person or estate is liable to be dealt with any way under the Mental Health Act 2001;
- if he becomes prohibited or disqualified from being a Director by reason of any order made under the provisions of the Act or the LR or contravenes the Act.

A Director will also vacate office should he be absent from more than 50% of the total board of directors' meetings held during a financial year. Each Board member is expected to achieve at least 50% attendance of total Board Meetings in any applicable financial year with appropriate leave of absence be notified to the Chairman and/or Company Secretaries, where applicable.

6. RE-ELECTION OF DIRECTORS

a) New Director(s)

The newly appointed Director(s) to fill a casual vacancy or as an addition to the Board shall hold office only until the next annual general meeting of the Company but shall be eligible for re-election.

b) Existing Directors

The Constitution provides that 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), the number nearest to one-third (1/3) shall retire by rotation at each annual general meeting provided always that all Directors shall retire from office at least once in every three (3) years.

7. TIME COMMITMENT FOR ACCEPTING NEW DIRECTORSHIP

All Board members shall notify the Chairman of the Board before accepting any new directorship. The notification shall include an indication of time that will be spent on the new appointment.

The Chairman shall also notify the Board if he has any new directorship or significant commitments outside the Company.

As prescribed under the LR, each Board member must not hold directorships at more than five (5) public listed companies.

8. DIRECTORS' TRAINING

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

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

9. COMPANY SECRETARY

The appointment and removal of the Company Secretary is a matter for the Board as a whole.

The Board recognises the fact that the Company Secretary should be suitability qualified and capable of carrying out the duties required.

The office of the Company Secretary shall be vacated if the Company Secretary resigns by notice in writing to the Company left 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).

10. ACCESS TO ADVICE AND SERVICES OF THE COMPANY SECRETARY

Directors and the Board as a whole shall also have unlimited access to advice and services of the Company Secretary and may request information and documents relating to the Company from the Company Secretary in order to facilitate their work duties as Directors.

11. BOARD MEETINGS AND PROCEDURES

11.1 Board Meetings

- The Board shall meet at least four (4) times in a financial year, although additional meetings may be called at any time at the Chairman's discretion.
- The quorum necessary for the transaction of the business of the Directors shall be two (2) of the Directors.
- Proceedings of all meetings are minuted and signed by the Chairman of the meeting. Minutes of all Board meetings are circulated to the directors and approved by the Board at the subsequent meeting.
- Actions on all matters arising from any meeting are reported at the following meeting.
- The Board may invite external parties such as auditors (both internal and/or external auditors), solicitors or consultants as and when the need arises. Such invited parties may attend part or all of the Board Meeting at the discretion of the Board.
- Any Director who has a direct or deemed interest in the subject matter to be deliberated abstains from deliberation and voting on the same during the meeting.
- In the event the elected Chairman is not able to attend a meeting, a member of the Board shall be nominated as Chairman for the meeting. The nominated Chairman shall be an Independent Non-Executive Director.

- The Board meeting may be held and conducted through the telephone or any communication equipment which allows all persons participating in the meeting to hear each other. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly.

- A resolution in writing, signed or approved by letter, telegram, telex, telefax or electronic means by a majority of the directors present in Malaysia for the time being entitled to receive notice of a meeting of the Board, shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more of the members of the Board. The resolutions are to be recorded in the Company's minutes book kept by the Company Secretary.

11.2 Notices of Meetings

- Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member no later than seven (7) days before the date of the meeting.

- As a best practice and allow ample time for directors to study and evaluate the matters to be discussed and subsequently make effective decisions, the Board paper and agenda items shall be circulated at least seven (7) days prior to the meeting.

11.3 Decision Making Process

A decision by the Board requires the majority of the votes cast by the Board members who take part in the processing of an issue. In the event of an equality of votes, the Chairman of the Board shall have the casting one.

12. INDEPENDENT PROFESSIONAL ADVICE

In discharging the Directors' duties, each member of the Board is entitled to obtain independent professional advice at the cost of the Company.

Where such advice is considered necessary for the discharging of his duties and responsibilities as Director and, for the benefit of the Company, such Director shall first discuss it with the Chairman and, having done so, shall be free to proceed, where appropriate.

Subject to the prior approval of the Chairman / Board, the cost of the advice will be reimbursed by the Company, but the Director will ensure, so far as is practicable, that the cost is reasonable.

13. ACCESS TO INFORMATION

The Board should have access to all information pertaining to the Company and advice/services of the Company Secretary and Senior Management staff in the Group in a timely manner for the discharge of its duties effectively.

The Board may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the directors to discharge their duties with adequate knowledge on the matters being deliberated.

The Board acknowledges that confidential information received in the course of exercise of the Board duties remains the property of the Group, whether it relates to the Group or another entity. It will not be disclosed unless either the Chairman of the Board has so authorised in writing or disclosure is required by law.

14. DIRECTORS' REMUNERATION

The remuneration policy of the Company is based on the philosophy of giving higher weightage on performance-related bonuses. These are entrenched in the remuneration policy for Executive Directors, which are reviewed annually by the Remuneration Committee. The performance of Directors is measured by the Directors' contribution and commitment to both the Board and the Company. The Executive Directors' remuneration will depend on the performance of the Group.

In the case of Non-Executive Directors, the level of remuneration reflects the contribution and level of responsibilities undertaken by the particular Non-Executive Director.

The Board will determine the level of remuneration for each Board member, taking into consideration the recommendations of the Remuneration Committee.

The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending board meetings of the Company.

The Directors concerned shall abstain from voting or discussing their own remuneration.

15. CODE OF CONDUCT AND ETHICS

The Group Code of Conduct and Ethics ("the Code") is to be observed by all Directors and employees of the Group which are set out in the Employee Handbook. The Board will review the Code regularly to ensure that it continues to remain relevant and appropriate.

16. RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

The Board will maintain an effective communications policy that enables both the Board and Management to communicate effectively with shareholders and the general public.

The Board will ensure that the General Meetings of the Company are conducted in an efficient manner and serve as a mode in shareholders communications. These include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the General Meetings.

The methods of communication engaged by the Company are, amongst others, as follows:

a) timely announcements and disclosures made to Bursa Securities;
b) the Company's website, www.maxlandbhd.com.my which provides easy access to the corporate information pertaining to the Group and its activities, which is updated as and when necessary.

17. GENERAL MEETINGS

The Company regards the Annual General Meeting as an important event in the corporate calendar. Extraordinary General Meetings are added opportunities for the Directors to have face-to-face communication with the shareholders of the Company. The Company regards general meetings as the principal forum for dialogue with shareholders and aims to ensure that general meetings provide important opportunity for effective communication and for constructive feedback from the Company's shareholders.

The Chairman encourages active participation of the shareholders during general meetings and provides reasonable time for discussion at general meetings.

18. ACCOUNTABILITY AND AUDIT

18.1 FINANCIAL REPORTING

The Board aims to present a clear and balanced assessment of the Group's financial position and future prospects that extends to the annual and quarterly reports.

The Board ensures that the annual and interim financial statements are prepared so as to give a true and fair view of the current financial status of the Group in accordance with the approved accounting standards. The Audit Committee plays an important role in ensuring the Company's financial statement is a reliable source of financial information and ensures the compliance of the applicable financial reporting standards before recommending the Company's financial statements to the Board.

18.2 EXTERNAL AUDITORS

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 External Auditors through the Audit Committee.

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 External Auditors of the Company. The Audit Committee ensures that the External Auditors do not supply a substantial volume of non-audit services to the Company

Appointment of the External Auditors is subject to the approval of shareholders at general meeting. The External Auditors have to retire during the Annual General Meeting every year and be subject for reappointment by the shareholders of the Company for the ensuing year.

19. REVIEW OF BOARD CHARTER

Where necessary, the Board Charter will be reviewed and updated by the Board to ensure its relevance in assisting the Board to discharge its duties with the changes in the corporate laws and regulations that may arise from time to time and to remain consistent with the Board's objectives and responsibilities.

END.

APPROVED THE UPDATED VERSION BY THE BOARD OF DIRECTORS ON 30 JULY 2026