



# **IOI PROPERTIES**

## **IOI PROPERTIES GROUP BERHAD**

Company Registration No. 201301005964 (1035807-A)

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### **BOARD CHARTER**

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## **BOARD CHARTER**

### **1. INTRODUCTION**

The Board of Directors (the “**Board**”) of IOI Properties Group Berhad (“**IOIPG**” or the “**Company**”) adopts this Charter to outline the manner in which its constitutional powers and responsibilities of the Board will be exercised and discharged, having regard to principles of good corporate governance, international best practice and applicable laws.

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

This Board Charter is not an “all inclusive” document and should be read as a broad expression of principles.

### **2. ROLES AND RESPONSIBILITIES**

#### **2.1 ROLE OF BOARD**

In discharging its responsibilities and facilitating its on-going oversight of IOIPG and its subsidiaries (the “**Group**”), the Board has agreed its role includes, but not limited to the following matters:

##### **2.1.1 Ethics and Compliance**

- i) 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.
- ii) 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.
- iii) 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 Malaysian Code on Corporate Governance (“**CG Code**”).
- iv) The Board shall oversee and ensure a sustainable Anti-Bribery and Anti-Corruption Framework which includes the Anti-Bribery and Anti-Corruption Policy, and provide the necessary leadership, resources and support to implement the Anti-Bribery and Anti-Corruption Framework.
- v) The Board meets 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.
- vi) 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.
- vii) 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:

- a) reviewing, approving and monitoring 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;
- b) overseeing and evaluating the conduct and performance of the Group's businesses, including its control and accountability systems;
- c) together with senior management, promoting good corporate governance culture within the Company which reinforces ethical, prudent and professional behaviours;
- d) identifying, understanding and managing principal risks affecting the Group and to recognise that business decisions involve the taking of appropriate risks;
- e) approving policies relating to investor relations programme and shareholder communication and overseeing stakeholder communications;
- f) reviewing the adequacy of the Group's internal control policy;
- g) providing input into and final approval of the annual operating budget;
- h) approving major capital expenditure, capital management and acquisitions/divestitures;
- i) reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance and other significant corporate policies;
- j) ensuring 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; and
- k) ensuring the integrity of the Company's financial and non-financial reporting.

### **2.1.2 Policies and Strategies**

- i) The Board has established written procedures (such as the Constitution of the Company and other policies) determining which issues require a decision of the full Board and which issues can be delegated to Board Committees or the Management.
- ii) The Board oversees the Company Policies as a whole. This includes the Code of Conduct and Business Ethics, Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy and other significant policies recommended under CG Code. The Code of Conduct and Business Ethics promotes ethical values and standards in the workplace while ensuring appropriate internal systems are in place to support, promote and ensure its compliance. The Anti-Bribery and Anti-Corruption Policy outlines the principles, guidelines and requirements on how to deal with corrupt and bribery practices that may arise within the operations of the Company. The Whistleblowing Policy sets the appropriate communication channels to facilitate whistleblowing by employees, customers, suppliers and other stakeholders.
- iii) The Board reserves full decision-making powers, amongst others, on the following matters (save to the extent that the Board resolves that determination and/or approval of any such matter shall be delegated to the Committees of the Board or Management):
  - a) Conflict of interest issues relating to a major shareholder or a Director;
  - b) Material acquisitions and disposals of undertakings and properties not in the ordinary course of business;

- c) Material investments in capital projects;
- d) Annual budgets (including major capital commitments);
- e) Material corporate or financial exercise/restructuring; and
- f) Declaration of Dividend and Directors' fees and benefits.

### **2.1.3 Internal Controls and Risk Management**

- i) The Board oversees, reviews and monitors the operation, adequacy and effectiveness of the Group's system of internal controls.
- ii) 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.
- iii) The Group has a well-resourced internal audit function, which critically reviews all aspects of the Group's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditure and internal controls of all business and support units and subsidiaries are undertaken on a regular basis.
- iv) The Group encourages the reporting of unlawful or unethical behaviours including any violations or breaches of the Anti-Bribery and Anti-Corruption Policy, or anti-corruption laws, and ensures employees and management are protected where such reporting is made in good faith.

## **2.2 ROLE OF INDIVIDUAL DIRECTORS**

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

- i) acting in good faith and in the best interests of the Company as a whole and for proper purpose;
- ii) acting with care and diligence of reasonable person subject to business judgement rule;
- iii) avoiding conflicts of interest with the Company in a personal or professional capacity;
- iv) refraining from making improper use of information gained through the position of Director and from taking improper advantage of the position of Director;
- v) disclosure of and abstaining from voting on matters of material personal interest; and
- vi) compliance with corporation laws, securities legislation and Listing Requirements.

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

## **2.3 ROLE OF SENIOR INDEPENDENT DIRECTOR**

The Board may appoint a Senior Independent Non-Executive Director to whom concerns pertaining to the Group may be conveyed by stakeholders. The duties of Senior Independent Director would typically include the following:

- i) Ensure all Independent Directors have an opportunity to provide input on the agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by

management that is necessary or appropriate for the Independent Directors to perform their duties effectively;

- ii) Consult the Chairman regarding Board meeting schedules to ensure the Independent Directors can perform their duties responsibly and with sufficient time for discussion of all agenda items;
- iii) Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues, for example issues that arise from ‘whistleblowing’; and
- iv) Serve as a designated contact for consultation and direct communication with shareholders and other stakeholders on areas that cannot be resolved through the normal channels of contact with the Chairman, Executive Vice Chairman or Chief Executive Officer (“CEO”).

## **2.4 ROLE OF CHAIRMAN**

2.4.1 The Chairman leads the Board and is responsible for the effective performance of the Board.

2.4.2 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) Monitor the workings of the Board, especially the conduct of Board meetings;
- b) Ensure that all relevant issues for the effective running of the Company’s business are on the agenda;
- c) Ensure that quality information to facilitate decision-making is delivered to Board members on a timely basis;
- d) Encourage all Directors to play an active role in Board activities and allowing dissenting views to be freely expressed;
- e) Chair general meetings of shareholders;
- f) Liaise with the Executive Vice Chairman, CEO and the Company Secretary on the agenda for Board meetings;
- g) Provide guidance and mentoring to the CEO, with the assistance of the Executive Vice Chairman.
- h) Ensure the process of Board evaluation is conducted;
- i) Ensure appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- j) Leading the Board in establishing and monitoring good corporate governance practices in the Company; and
- k) Fulfil such other responsibilities as are allocated by the Constitution from time to time.

2.4.3 The Chairman ensures that Executive Directors look beyond their executive functions and accept their full share of responsibilities on governance.

## **2.5 ROLE OF THE EXECUTIVE VICE CHAIRMAN**

The Executive Vice Chairman shall assist the Chairman in undertaking his responsibilities. The Executive Vice Chairman is primarily responsible for:

- i) Providing strategic oversight over the strategic, business, and marketing plans that include operational and financial goals, strategies and performance measures for all aspects of the Group's operations;
- ii) Assisting and supporting the Chairman in providing leadership to the Board, in ensuring the integrity of the governance process;
- iii) Providing leadership and credibility in the effort of developing a positive profile of the Group; and
- iv) Supporting and encouraging the Board and the CEO in identifying and addressing issues of concern relating to the vision, mission, values and aims and ambitions of the Group.

## **2.6 ROLE OF CEO**

- i) The CEO is primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective running of the Group. The CEO shall have unrestricted access to the Executive Vice Chairman and where necessary communicate to the Executive Vice Chairman for recommendation and consideration and shall report directly to the Executive Vice Chairman on the Group's business operation matters. The CEO shall also report and update the Board on the performance and activities of the Group on a quarterly basis.
- ii) The CEO is responsible for the development and implementation of the strategies for the Group and setting the overall strategic policy and direction of the Group's business operations based on effective risk management controls.
- iii) The CEO ensures 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.
- iv) The CEO provides effective leadership to the Management and is responsible for ensuring high management competency and that an effective management succession plan is in place to sustain continuity of operations.
- v) The CEO is the conduit between the Board and the Management in ensuring the success of the Company's governance and management functions.
- vi) The CEO implements the policies, strategies and decisions adopted by the Board. All Board authorities conferred on the Management is delegated through the CEO and this will be considered as the CEO's authority and accountability as far as the Board is concerned.

## **2.7 ROLE OF COMMITTEES**

The Board appoints the following Board Committees with specific Terms of Reference:

- Audit Committee
- Risk Management Committee
- Whistleblowing Committee
- Governance, Nominating and Remuneration Committee ("GNRC")
- Employees' Share Option Scheme Committee

These Committees are designed to consider specific matters and make recommendations to the Board. The Board must make an independent assessment of the recommendations, having regard to the Board's knowledge of the business and risks of the Company and the complexity of the structures and operations of the Company.

The Board may from time to time establish other committees to streamline the discharge of its responsibilities.

Each Committee's role has been spelt out in written Terms of Reference approved by the Board. Each year, the Board, through the GNRC, 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 GNRC's evaluation of Board Committees' performance.

Independent and Non-Executive Directors play a leading role in these Committees. The Chairman of the various Committees will report to the Board on the outcome of the Committee meetings.

### **3. COMPOSITION AND BOARD BALANCE**

#### **3.1 Size and Composition**

- i) The Board consists of qualified individuals with diverse experiences, ethnicity, gender, age, backgrounds and perspectives. The composition and size of the Board is such that it facilitates the making of informed and critical decisions. The Constitution of the Company provides that there will be a minimum of 2 Directors and a maximum of 15 Directors.
- ii) At any one time, at least 2 or 1/3 of the Board members, whichever is higher, are Independent Directors.
- iii) The roles of the Chairman and CEO of IOIPG are distinct. The distinct and separate roles of the Chairman and CEO, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.
- iv) The views of the Management are represented at meetings of the Board by the presence of the CEO and other senior executives when required.
- v) If, on any matter discussed at a Board meeting, any Director holds views contrary to those of any of the other Directors, this will be clearly reflected in the Board minutes.

#### **3.2 Nomination and Appointments**

- i) The appointment of a new Director and C-suite senior executives is a matter for consideration and decision by the full Board upon appropriate recommendation from the GNRC.
- ii) The Company Secretary has the responsibility of ensuring that relevant procedures relating to the appointments of new Directors and C-suite senior executives are properly executed.
- iii) 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.
- iv) 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 or 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 latest Corporate Governance practices materials.
- v) 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.
- vi) The directorships held by any Board member at any one time shall not exceed 5 in listed companies or such other numbers prescribed by the relevant regulatory bodies.

### **3.3 Re-election and Re-appointment**

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to re-election by shareholders at the following Annual General Meeting ("AGM") after their appointment. The Constitution also provides that at least 1/3 of the remaining Directors be subject to re-election by rotation at each AGM provided always that all Directors including the Managing Director (if any) shall retire from office at least once every 3 years but shall be eligible for re-election.

### **3.4 Independence**

- i) An Independent Non-Executive Director is independent of management and free of any significant business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgement, and who otherwise meets the criteria for independence.
- ii) The Independent Directors provide independent judgement, experience and objectivity without being subordinated to operational considerations.
- iii) The 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 subject to objective and impartial consideration by the Board.
- iv) The views of the Independent Directors should carry significant weight in the Board's decision-making process.
- v) The Board undertakes to assess the independence of the Independent Directors on an annual basis or when any new interest or relationship develops.

### **3.5 Tenure of Independent Director**

The tenure of an Independent Non-Executive Director should not exceed a cumulative term limit of 12 years. If the Board intends to retain an Independent Director beyond nine 9 years, the Board shall, upon the recommendation from the GNRC, justify and seek annual shareholders' approval in accordance with CG Code.

### **3.6 Time commitment for accepting new directorships**

Directors are expected to have such expertise so as to qualify themselves 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. The Directors shall notify the Chairman before accepting any new directorship and the notification shall include the indication of time that will be spent on the new appointment.

## **4. PERFORMANCE**

### **4.1 Directors' Assessment/ Board Evaluation**

The Board recognises the importance of assessing the effectiveness of individual Directors, the Board as a whole and its Committees. The Board, through the GNRC, reviews and evaluates its own performance and the performance of its Committees on an annual basis.

### **4.2 Directors' Training and Development**

In addition to the mandatory programmes as required by the Bursa Malaysia Securities Berhad ("**Bursa Securities**") for newly appointed Director, Board members are encouraged to attend training

programmes conducted by highly competent professionals and which are relevant to the Group's operations and business.

The Board will assess the training needs of the Directors and ensure Directors have access to continuing education programme. The Board shall disclose in the Annual Report the education programme or trainings attended by the Directors.

## **5. MEETINGS**

### **5.1 Board meetings**

- i) Meetings of the Board should be held at least 5 times per year to ensure that all Directors are kept informed on a timely basis of all material quality information affecting the Company and, in a form, and manner appropriate for them to discharge their duties effectively, or as frequently as required.
- ii) The Management is responsible for providing the Board with the required information in an appropriate and timely manner. 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.
- iii) A full agenda and comprehensive Board papers are circulated to all Directors at least 5 business days in advance of each Board meeting.
- iv) The Board papers include amongst others, the following:
  - a) Group Financial Results Review and Quarterly financial report;
  - b) Minutes of meetings of all Committees of the Board;
  - c) Reports on Related Party Transactions and Recurrent Related Party Transactions, if any;
  - d) List of Directors' Circular Resolutions duly signed;
  - e) Summary of dealings by Directors and principal officers;
  - f) Report on substantial shareholders;
  - g) Report on IOIPG Share prices movement;
  - h) Group budgeting; and
  - i) Risk Review Reports.
- v) Full Board minutes of each Board meeting are kept by the Company Secretary and are available for inspection by any Director during office hours.

### **5.2 Circulating resolutions**

Decisions or resolutions of the Board of Directors are normally reached at a meeting. However, IOIPG's Constitution also provide for the passing of resolutions without having to hold a meeting.

Urgent matters that cannot wait until the next Board meeting can be dealt with by a circulating resolution. Circulating resolutions should be approved by the Chairman or Executive Vice Chairman before being circulated.

Where a decision is to be passed by circular resolution, the following will be observed:

- i) The subject matter in the circular resolution is not contentious in nature and material proposal will be deliberated in advance at Board meeting before any circular being subsequently circulated.
- ii) All circular resolutions should be numbered to ensure a proper record of all resolutions which have been circulated.
- iii) Relevant information and documentation (i.e. contract, declaration of interest by director) pertaining to the resolution to be passed should be attached to the circular resolution which is circulated to the Directors, so as to enable the Directors to make an informed decision.
- iv) Circular resolutions, which do not require the signature of all Directors as provided in the Constitution, should still be circulated to the entire Board. This is to ensure that the Board as a whole is aware of decisions that are being made.
- v) At Board meetings, circular resolutions, which have been passed since the last Board meeting, should be circulated for notation of the Board.

### **5.3 AGM**

- i) The Board regards the AGM as an important event in the corporate calendar of which all Directors and key senior executives should attend.
- ii) The Company must ensure that any resolution set out in the notice of any general meeting, or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.
- iii) 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.
- iv) The Chairman encourages active participation by the shareholders during the AGM.
- v) The Chairman and, where appropriate, the Executive Vice Chairman or the chairperson of the Committees responds to shareholders' queries during the meeting. Where necessary, the Chairman will undertake to provide a written answer to any significant question that cannot be readily answered at the meeting.

## **6. REMUNERATION POLICIES**

- 6.1 The Board, through the GNRC, shall establish a formal and transparent remuneration framework for Directors. The remuneration framework shall be appropriate to attract and retain the services of Directors.
- 6.2 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 and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree.
- 6.3 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.
- 6.4 The GNRC is responsible for reviewing the remuneration package and making recommendations on the same to the Board for approval. In its review, the GNRC considers various factors, among others, including the compensation levels for comparable positions among other similar public listed companies, Director's fiduciary duties, time commitments expected of them and the Group's performance.

- 6.5 The review of the Directors' remuneration will be carried out by the GNRC on an annual basis for the approval of the Board prior to recommending the Directors' fees and benefits for shareholders' approval at the annual general meeting of IOIPG.
- 6.6 No Director other than the Executive Directors and CEO, where necessary, shall have a service contract with the Company.

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

- 7.1 Directors may access such information and seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgment in decision making, at the Company's expense.
- 7.2 Directors will be entitled to:
- a) access to the CEO and other members of the senior management via the CEO at any time to request relevant and additional information or seek explanations;
  - b) have access to internal and external auditors, without management present to seek explanations or additional information; and
  - c) seek independent professional advice with the Chairman's prior consent, which will not be unreasonably withheld or delayed, and which will be at the Company's expense.

## **8. FINANCIAL REPORTING**

### **8.1 Transparency**

- i) The Company aims to present a clear and balanced assessment of the Company's financial position and future prospects that extends to the interim and price-sensitive information and other relevant reports submitted to regulators.
- ii) 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, Financial Reporting Standards and provisions of the Companies Act, 2016.
- iii) The Company's practice is to announce to Bursa Securities its quarterly financial results as early as possible within 2 months after the end of each quarterly financial period.
- iv) 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's External Auditors**

- i) 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 its Audit Committee.
- ii) 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. The Company ensures that the External Auditors do not supply a substantial volume of non-audit services to the Company.
- iii) Re-appointment of the External Auditors is subject to approval of shareholders at General Meetings. The External Auditors have to retire during the AGM every year and be re-appointed by shareholders for the ensuing year.

## **9. STAKEHOLDER COMMUNICATIONS**

### **9.1 Investor Relations**

- i) The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company and as such adopts an open and transparent policy in respect of its relationship with its shareholders and investors.
- ii) The Board ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements made during the year.
- iii) The Company meets financial analysts from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.
- iv) The Company leverages on information technology for effective dissemination of information. The Company's website provides easy access to corporate information pertaining to the Company and its activities and is continuously updated.

### **9.2 Other Stakeholders**

In the course of pursuing the vision and mission of the Group, the Board recognises that no company can exist by maximising shareholders value alone. In this regard, the needs and interests of other stakeholders are also taken into consideration.

### **9.3 Employees**

The Board acknowledges that the employees are invaluable assets of the Group and play a vital role in achieving the vision and mission of the Group.

The Group adopts documented policies and procedures with respect to the following:-

- i) Occupational safety and health with the objective of providing a safe and healthy working environment for all employees; and
- ii) Industrial relations with the objective of managing employees' welfare and well-being in the workplace.

### **9.4 Environment**

The Board acknowledges the need to safeguard and minimise the impact to the environment in the course of achieving the Group's vision and mission.

The Group adopts documented policies and procedures as part of its commitment to protect the environment and contribute towards sustainable development.

The Group supports initiatives on environmental issues.

### **9.5 Sustainability and Social Responsibility**

The Board recognises that the pursuit of property development inevitably impacts on the environment and takes steps to minimise the potentially harmful effects of such activities wherever practicable. IOIPG is therefore committed to developing in a sustainable way in the context of environmental, economic and social considerations.

The Group has a longstanding track record of thinking through how our developments can integrate with the local community and bring direct benefits as the planning process unfolds. The Group has a commitment to finding innovative ways to enhance learning and encourage local school and business links.

The Group adopts documented policies and procedures towards responsible marketing and advertising of its products and services.

The Group supports charitable causes and initiatives on community development projects.

## **10. COMPANY SECRETARY**

- 10.1 The Board appoints the Company Secretary, who plays an important advisory role, and ensures that the Company Secretary fulfils the functions for which he or she has been appointed.
- 10.2 The Company Secretary is accountable to the Board through the Chairman of the Board and Committees on all governance matters.
- 10.3 The Company Secretary is a central source of information and advice to the Board and its Committees on issues relating to compliance with company laws, rules, procedures and regulations relating thereto affecting the Group.
- 10.4 The Company Secretary should advise Directors of their obligations to adhere to matters relating to, among others:
  - a) disclosure of interest in securities;
  - b) disclosure of any conflict of interest in a transaction involving the Company;
  - c) prohibition on dealing in securities; and
  - d) restriction on disclosure of price-sensitive information.
- 10.5 The Company Secretary must keep abreast of, and inform and advise, the Board of current governance practices, and also to monitor corporate governance developments and assists the Board in applying governance practices to meet the Board's needs and stakeholders' expectation.
- 10.6 The Board members have unlimited access to the professional advice and services of the Company Secretary.

## **11. CONFLICTS OF INTERESTS**

As a general principle each Director must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes, to be in the best interests of the Company as a whole irrespective of any actual or possible conflict of interest.

- i) Directors must:
  - a) disclose to the Board (through the Company Secretary) any actual or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue;
  - b) take any necessary and reasonable measures to try to resolve the conflict; and
  - c) comply with the provisions of Companies Act, 2016 and Main Market Listing Requirements of Bursa Securities on disclosing interests and restrictions on voting.
- ii) If a conflict or potential conflict situation exists, it is required that the interested Director(s) shall be absent from the meeting whilst the Board discusses the matter and not vote on the matter,

unless the other Directors who do not have a material personal interest in the matter have passed a resolution that states that those Directors are satisfied that the interest should not disqualify the Director from being present.

- iii) Directors are expected to advise the Company Secretary of any proposed Board or executive appointment to other companies as soon as practicable.

## 12. DEALINGS IN SECURITIES

12.1 IOIPG has in place “*Guidance to Directors on Dealing in Securities*” to guide Directors on the process and requirements when dealing in the securities of the Company so as to ensure compliance with the Main Market Listing Requirements of Bursa Securities.

12.2 “*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 -
  - a) any agreement for or with a view to acquiring or disposing of securities or any interest in securities;
  - b) any agreement for or with a view to subscribing for or underwriting securities; or
  - c) 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.

12.3 A Director must not deal in the securities of IOIPG as long as he is in possession of price-sensitive information relating to such listed securities. “*Price-sensitive information*” means information that “on becoming generally available would or would tend to have a material effect on the price or value of securities” as referred to in Section 185 of the Capital Market Services Act, 2007.

## 13. CODE OF CONDUCT AND ETHICS

The Directors are expected to conduct themselves with the highest ethical standards. All Directors and employees are expected to behave ethically and professionally at all times and thereby protect and promote the reputation and performance of the Company.

IOIPG has in place Code of Conduct and Ethics for Directors which is formulated to enhance the standard of corporate governance and behaviour through:

- i) Establishing standards of ethical conduct for Directors based on acceptable beliefs and values;
- ii) Upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing IOIPG; and

- iii) Document and emphasising to the Directors, the integral obligation of each Director in performing his duty, to act in a manner that is lawful, honest, ethical and free from any conflict of interest or perceived conflict of interest.

The Group communicates the Code of Conduct and Ethics for Directors and Code of Conduct and Business Ethics to all Directors and employees upon their appointment/employment.

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

The Group is committed to achieving and maintaining the highest standard of work ethics in the conduct of business in line with IOIPG's Code of Conduct and Business Ethics, Anti-Bribery and Anti-Corruption Policy and good corporate governance practices.

The Group encourages its employees to raise genuine concerns about possible improprieties in matters of financial reporting, compliance, suspected violations of IOIPG's Code of Conduct and Business Ethics or Anti-Bribery and Anti-Corruption Policy, and to disclose any improper conduct or other malpractices within the Group (i.e. whistleblowing) in an appropriate way.

The policy is to provide an avenue for all employees, agents, vendors, contractors, suppliers, consultants and customers of the Group and members of public to raise concerns about any improper conduct within the Group without fear of retaliation and to offer protection for such persons who make legitimate reports.

#### **15. APPLICATION**

- 15.1 The principles set out in this Charter is applied in practice having regard to their spirit and general principles rather than to the latter alone; and
- 15.2 The Board will review every 2 years and make any necessary amendments to ensure they remain consistent with the Board's objectives, current law and practices. Any updates to the principles and practices set out in this Charter will be made available on the Company's website.

This Board Charter was first adopted on 29 April 2014 and last reviewed on 25 February 2022.