Management Procedure	**RANHILL BOARD OF DIRECTORS**	Issue No.	**09**
Document Title	**Board Charter**	Revision No.	**08**
ISO & OHSAS Element		Issue Date	8 September 2026
Procedure Number	**RANHILL-COSEC-BC-001**	Page	1 of 30

RANHILL UTILITIES BERHAD

Registration No. 201401014973 (1091059-K)
Incorporated in Malaysia

BOARD CHARTER

Issue Date: 8 September 2026

GROUP COMPANY SECRETARIAL POLICY & PROCEDURES

BOARD CHARTER

REVISION RECORD

Issue Number	Revision Number	Description	Date
01		Issue For Implementation	May 2016
02	01	Revision on the Board Charter in its entirety to align with the requirements and recommendation outlined in the latest Companies Act 2016, Malaysian Code on Corporate Governance ("**MCCG**") 2017 and the Bursa Malaysia Main Market Listing Requirements ("**BMLR**").	February 2019
03	02	(i) Revision on the roles and responsibilities of Governance and Risk Management Committee ("GRMC"), consequent to the dissolution of the Strategic Investment Committee ("SIC") on 18 April 2019; and (ii) To include the roles and responsibilities of a new Board Committee, the Long-Term Incentive Plan ("LTIP") Committee.	April 2019
04	03	(i) Revision on the composition of the GRMC members; and (ii) Inclusion of the cooling-off period of 2 years for former audit partner before he/she to be appointed as Audit Committee ("**AC**")'s under the composition of AC members.	February 2020
05	04	Amendments to the Board Charter and the Terms Of Reference ("**ToR**") of the GRMC to address the findings in the Gap Analysis Report on Adequate Procedure Guidelines issued in relation to Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009.	August 2022
06	05	Amendments to the Board Charter to align with the latest requirements and recommendation outlined in the BMLR and MCCG 2021.	April 2024
07	06	Revision on the AC's ToR concerning Conflict of Interest to align with the BMLR including others to take effect from 1 August 2024.	August 2024
08	07	(i) Transfer of role on monitoring the Environmental, Social and Governance ("**ESG**") from AC to GRMC;	December 2025
		(ii) Removing LTIP's ToR consequent to termination of LTIP scheme and accordingly, cessation of LTIP committee.	January 2026
09	08	Adoption of 9-year tenure limit of Independent Director.	8 September 2026

Management Procedure	**RANHILL BOARD OF DIRECTORS**	Issue No.	**09**
Document Title	**Board Charter**	Revision No.	**08**
ISO & OHSAS Element		Issue Date	8 September 2026
Procedure Number	**RANHILL-COSEC-BC-001**	Page	3 of 30

This document has been approved and authorised by the appropriate authority whose signature appears below:

	Prepared by	**Recommended by**	**Approved by**
Signature			
Designation			
Date			

The content of this procedure is the proprietary and confidential information of Ranhill Utilities Berhad (Ranhill) and as such shall not be copied or reproduced in any manner without the written consent of the Chairman of the Board of Directors of the Company.

TABLE OF CONTENTS **PAGE**

1.0 INTRODUCTION 6
2.0 VISION, MISSION AND VALUES OF THE COMPANY 6
3.0 REFERENCE 7
4.0 ABBREVIATION 8
5.0 GOVERNANCE STRUCTURE 9
6.0 BOARD'S STRUCTURE, SIZE, COMPOSITION AND INDEPENDENCE 9
7.0 APPOINTMENT, RE-APPOINTMENT AND REMOVAL 10
8.0 INDUCTION AND TRAINING 13
9.0 BOARD ROLES AND RESPONSIBILITIES 14
10.0 BOARD COMMITTEES 18
11.0 INDIVIDUAL ROLE AND RESPONSIBILITIES 18
12.0 DIRECTORS AND SENIOR MANAGEMENT REMUNERATION 22
13.0 BOARD MEETING 23
14.0 BOARD EVALUATION 24
15.0 CODE OF CONDUCT AND BUSINESS ETHICS (CCBE) 25
16.0 FRAUD AND WHISTLE BLOWING POLICY 26
17.0 BOARD DYNAMICS AND RIGHTS 26
18.0 MANAGEMENT 27
19.0 RELATIONSHIP WITH STAKEHOLDERS 28
20.0 GENERAL MEETINGS 28

21.0 COMPANY SECRETARY 29

22.0 REVIEW OF THE BOARD CHARTER..... 300

23.0 APPENDICES –

APPENDIX I : TERMS AND REFERENCE OF AUDIT COMMITTEE;

APPENDIX II : TERMS AND REFERENCE OF NOMINATING AND REMUNERATION COMMITTEE; AND

APPENDIX III : TERMS AND REFERENCE OF GOVERNANCE AND RISK MANAGEMENT COMMITTEE.

1.0 INTRODUCTION

1.1 Ranhill is committed to a high level of corporate governance which is essential for sustainable long-term performance and value creation of the Group.

1.2 The Board, being the highest decision making and stewardship body of the Group, is accountable and responsible for the performance and affairs of Ranhill, including the practicing of a high standard of corporate governance.

1.3 The purpose and objectives of this Charter:-

a) To promote sound and transparent corporate policies and practices based upon exemplary corporate values, ethical business conduct, strong governance practices, and sound board culture.

b) To ensure that all Board members are aware of the roles and responsibilities, power and authority vested on the Board, Board Committees, individual director and management.

c) A statement of intent and expectation as to how the Board will discharge its duties.

d) To serve as a source of reference and induction for the existing, prospective and new Board members, and Senior Management.

e) To be the basis for the Board to conduct its assessment on its own performance and that of each Board Committee and individual director.

f) To ensure compliance with all applicable legal and regulatory obligations including compliance with all applicable anti-bribery and anti-corruption laws; and Guidelines on Adequate Procedures by the Group and the Board.

g) To demonstrate that the Board is primarily responsible for ensuring that the Company practices the highest level of integrity and ethics.

2.0 VISION, MISSION AND VALUES OF THE COMPANY

2.1 Ranhill's Vision

"ENRICHING LIVES THROUGH SUSTAINABLE SOLUTIONS"

ENRICHING LIVES
Ranhill aspires to lift the quality of life by being in the forefront of nation building through sustainable environment and power solutions using innovative and clean technology.

SUSTAINABLE SOLUTIONS
Ranhill aspires to meet the needs for an enhanced quality of life and for a cleaner planet through innovation. We subscribe to the triple bottom-line approach to the Environment (Planet) and Communities (People) whilst achieving our Financial Objective (Profit). We inspire our employees to be innovative in providing solutions beyond customers' expectations.

2.2 **Ranhill's Mission**

"*To be a regional leader in water, wastewater and energy, with emphasis on circular economy*"

2.3 **Ranhill's Values**

"RESPECT, RESOURCEFUL, RESULT"

RESPECT
Respect for the environment, communities we serve and for our employees.

RESOURCEFUL
Determination in sourcing and adopting innovative solutions.

RESULT
Focused on delivering growth and value to our stakeholders.

2.4 Ranhill's vision, mission and values may be reviewed, changed or enhanced from time to time to ensure its viability and appropriateness. The Board member is advised to refer to the Company's website for the latest vision, mission and values of the Company.

3.0 REFERENCE

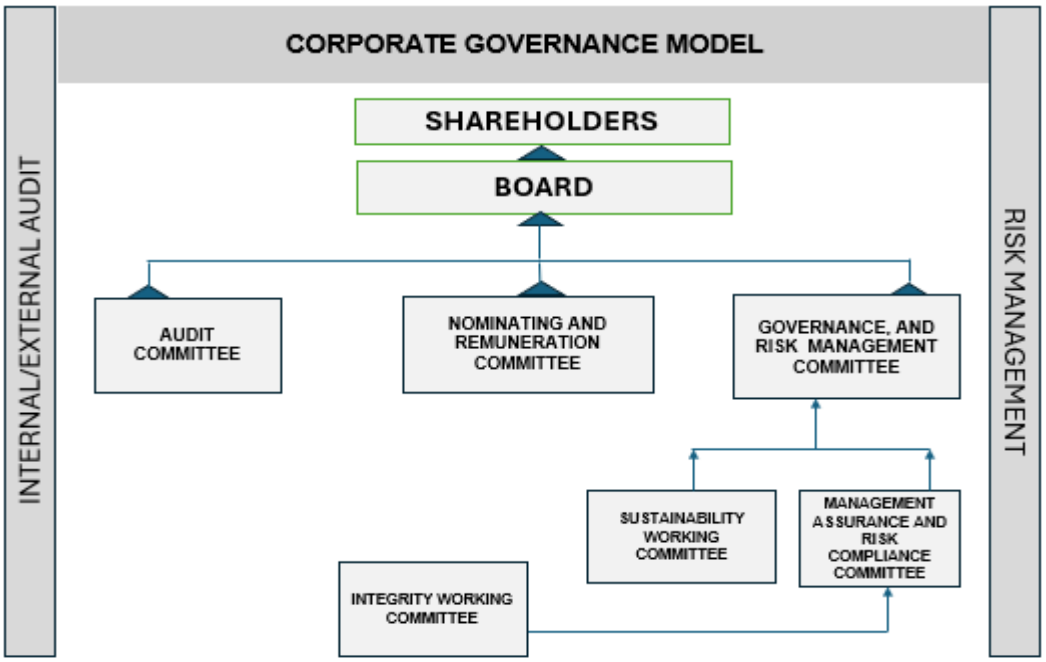
This Charter should be read together with the following legislation/documents:

a) MMLR;
b) CA 2016;
c) Capital Markets and Services Act 2007;
d) MCCG;
e) MACC Act;
f) Bursa Malaysia Corporate Governance Guide (4th Edition);
g) Ranhill Constitution;
h) Ranhill Code of Conduct and Business Ethics Policy and Procedures;
i) Ranhill Whistleblowing Policy and Procedures;
j) Ranhill Authority Manual;
k) Ranhill Directors' Fit and Proper Policy; and
l) Ranhill Corporate Disclosure Policy

4.0 ABBREVIATION

AC	Audit Committee
AGM	Annual General Meeting
BMSB	Bursa Malaysia Securities Berhad Registration No. 200301033577 (635998-W)
Board	Board of Directors
Board Committee or Committees	Committee or committees of the Board
CA 2016	Companies Act 2016
CE	Chief Executive
Chairman	Chairman of the Board of the Company
Charter	This Board Charter
Constitution	The Constitution of the Company
GRMC	Governance and Risk Management Committee
INED	Independent Non-Executive Directors
MCCG	Malaysian Code on Corporate Governance 2021
MMLR	Main Market Listing Requirements of BMSB
MACC Act	Malaysian Anti-Corruption Commission Act 2009 and Malaysian Anti-Corruption Commission Act (Amendment) Act 2018
NED	Non-Executive Directors
NRC	Nominating and Remuneration Committee
Ranhill / the Company	Ranhill Utilities Berhad Registration No. 201401014973 (1091059-K)
Senior Management	Chief Executive Officers, Chief Operating Officers, Chief Commercial Officer, Chief Financial Officers, Chief Merger & Acquisition Officer, Chief Strategy Officer, Chief Compliance Officer, Chief People Officer, Head of Departments includes additional designation of “Chief” created in future or any amendments to the name of designation as approved by the Board of Directors of the Company.
the Group	Ranhill Utilities Berhad and its subsidiaries

5.0 GOVERNANCE STRUCTURE



The above corporate governance model serves as a guidance framework. The framework is augmented by a set of guidelines, policies, procedures and corporate values which help to cultivate good corporate governance within the Group, such as this Charter, the terms of reference of Board Committees, Ranhill Code of Conduct & Business Ethics Policy and Procedures, Whistleblowing Policy and Procedures, Authority Manual, Directors' Fit and Proper Policy and Corporate Disclosure Policy.

6.0 BOARD'S STRUCTURE, SIZE, COMPOSITION AND INDEPENDENCE

6.1 The Company shall have a minimum of 2 directors and a maximum of 15 directors.

6.2 The Board may consist of executive directors, NED, senior INED, INED and non-independent NED.

6.3 **Composition of INED**

a) Under the MMLR, the Company must ensure that at least 2 directors or 1/3 of the Board, whichever is the higher, are INED. If the number of directors of the Company is not 3 or a multiple of 3, then the number nearest to 1/3 must be

used[1]. However, under the MCCG, at least half of the Board should comprise of INED[2].

b) In the event of any vacancy in the Board, resulting in non-compliance with the preceding number of Board, the vacancy must be filled within 3 months.

6.4 An INED shall be a person who possesses the right character, integrity, reputation, experience, competence, time and commitment to effectively discharge his/her duties as director and to provide independent judgement on matters involving strategy, performance and resources including key appointments and standards of conduct.

6.5 The Board shall assess the independence of the directors annually by taking into consideration of their disclosed interests and relationships.

6.6 Composition of the Board influences the ability to fulfil its oversight responsibilities. An effective board enables board decisions to be made objectively in the best interests of the company taking into account diverse perspectives and insights.

6.7 The composition of the Board shall be diverse in terms of age, skills, qualification, experience, cultural background, nationality and gender in order to encourage enhanced decision making by harnessing on different insights and perspectives.

6.8 In pursuing gender diversity, the Board shall take steps to ensure that women candidates are sought in its recruitment exercise for board members. The Board must have at least 1 woman director as prescribed by MMLR[3]. According to MCCG, the Board should comprise at least 30% women directors[4]. As a matter of policy, the Board targets to have at least 30% women directors and Senior Management at all times, as part of its gender diversity initiatives.

6.9 The composition and size of the Board shall be reviewed from time to time to ensure its appropriateness.

6.10 **Tenure of INED**

In line with the recommendation of the MCCG, the tenure of an INED should not exceed a term limit of 9 years. Upon completion of the 9 years, an INED may continue to serve on the Board as a NINED.

7.0 APPOINTMENT, RE-APPOINTMENT AND REMOVAL

7.1 The NRC shall be responsible for identifying, considering and recommending to the Board, candidates for directorship and membership of Board Committees. A variety of

[1] Subparagraphs 15.02(1)(a) and (2) of the MMLR.
[2] Practice 5.2 of the MCCG.
[3] Subparagraph 15.02(1)(b) of the MMLR.
[4] Practice 5.9 of the MCCG.

approaches and sources shall be used to ensure that the Board is able to identify the most suitable candidates (including where applicable, independent sources).

7.2 A director shall be a person of high calibre, integrity and credibility, and possess the necessary skills and experience to effectively discharge the Board's responsibilities and for driving the Group's growth and future direction.

7.3 No person shall be appointed or allowed to act as a director or be involved whether directly or indirectly in the management, including acting in an advisory capacity in relation to the Group, if he/she:

a) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence in connection with the promotion, formation or management of a corporation; or

b) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence involving bribery, fraud or dishonesty or where the conviction involved a finding that he/she acted fraudulently or dishonestly; or

c) has been convicted by a court of law, whether within Malaysia or elsewhere, of an offence under the securities laws[5] or the corporation laws of Malaysia (including under the CA 2016);

within a period of 5 years from the date of conviction or if sentenced to imprisonment from the date of release from prison, as the case may be[6].

7.4 Subject as herein otherwise provided or to the terms of any subsisting agreement, the office of a director shall ipso facto become vacant if the director during his/her term of office:

a) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001; or

b) becomes bankrupt or makes any arrangement or composition with his/her creditors generally; or

c) is absent for more than 50% of the total of Board meetings held during a financial year (if a director is appointed after the commencement of a financial year, then only the Board meetings held after the appointment will be taken into account); or

d) is removed from office in accordance with the provisions of the CA 2016 or the Constitution; or

[5] For the purpose of the above, securities laws means the CMSA, the Securities Industry (Central Depositories) Act 1991 and the Securities Commission Malaysia Act 1993, any other legislation that Securities Commission Malaysia is empowered to administer or enforce and any other regulations, rules, orders, notifications of subsidiary legislation made thereunder.
[6] Subparagraph 15.05(1) of MMLR.

e) is prohibited from being a director by any order made under any law; or

f) resigns his/her office by notice in writing to the Company and such letter of resignation is deposited at the registered office of the Company; or

g) is convicted by a court of law, whether in Malaysia or elsewhere, in relation to the offences set out in paragraph 7.3 above; or

h) has retired in accordance with the CA 2016 or the Constitution but is not re-elected; or

i) becomes disqualified from being a director under Section 198 or 199 of the CA 2016; or

j) dies; or

k) otherwise vacates his/her office in accordance with the Constitution.

7.5 The newly appointed director shall be subjected to re-election at the immediate AGM following his/her appointment in accordance with the provision of the Constitution and MMLR.

7.6 Upon the appointment of a director, the said director shall provide to BMSB an undertaking prescribed by BMSB[7] immediately and in any event not later than 14 days after his/her appointment.

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

7.8 The Board shall appoint a senior independent director who will attend to any query or concern raised by shareholders.

7.9 The directorship held by any Board member at any one time shall not exceed 5 in listed companies[8] or such other numbers as may be set by the relevant authorities.

7.10 Where a director is removed from office, the Company shall forward to BMSB a copy of any written representations made by the director and at the same time, copies of such representation are sent to the shareholders as required under the CA 2016[9].

[7] Paragraph 15.03 of the MMLR.
[8] Subparagraph 15.06(1) of the MMLR.
[9] Subparagraph 15.05(5) of the MMLR and Section 207(3)(b) of the CA 2016.

8.0 INDUCTION AND TRAINING

8.1 Induction

a) An induction and orientation on the Group shall be provided for newly appointed Board members to familiarise themselves with the Company and the Group's business.

b) The induction and orientation programme for the newly appointed directors includes briefing by the CE and senior executives and site visit(s) to Ranhill's principal operations.

c) The induction materials and discussions include information on Ranhill's strategy, culture and values; key corporate and Board policies; the Company's financial, operational and risk management position; the rights and responsibilities of directors; the role of the Board and Board Committees; and meeting arrangements.

8.2 Training/Professional Development

a) The Board must on a continuous basis, evaluate and determine the training needs of its directors and disclose in the annual report of the Company, a statement on the training attended by its directors[10].

b) Continuous training shall be provided to ensure that directors are equipped with the necessary skills and knowledge to meet the challenges of the Board and to update themselves in relation to the new developments to the laws applicable to the Company and Group. Appropriate training courses, seminars and conferences shall be identified for the directors' participation. Internal technical updates and briefings on financials, current development and trends in related industries and changes in regulatory and legal requirements shall also be provided where necessary. The subject matter of training must be one that aids the director in the discharge of his/her duties as a director.

c) The directors are required to attend two types of training/education programmes, as follows:

- **Prescribed training programme**

  Under Practice Note 5 of the MMLR, BMSB has prescribed that all newly appointed directors shall attend Mandatory Accreditation Programme ("**MAP**") comprising the following:

[10] Paragraphs 15.08(2) and (3) of the MMLR.

(a) MAP Part I in relation to a directors' roles, duties and responsibilities – to be completed within 4 months from the date of appointment; and

(b) MAP Part II in relation to sustainability and the related roles of a director – to be completed within 18 months from the date of appointment.

- **Continuous education/training programme**

  The directors are encouraged to attend other educational or training programme to further enhance their knowledge and to enable them to discharge their duties and responsibilities more effectively.

9.0 BOARD ROLES AND RESPONSIBILITIES

9.1 The Board's role is to govern and set the strategic direction of the Company and the Group. Meanwhile, Senior Management manages the Company and the Group in accordance with the strategic direction and delegation of authority set by the Board. The responsibility of the Board includes overseeing the activities of management in carrying out the delegated duties.

9.2 To enable the Board to discharge its responsibilities in meeting the goals and objectives of the Company, the Board's responsibilities include the following:

a) together with Senior Management, promoting good corporate governance culture within the Group which reinforce ethical, prudent and professional behaviour which includes conscious efforts to effectively manage key corruption risks;

b) establishing and reviewing the overall strategic plans of the Company and Group that supports long-term value creation, including establishing and reviewing business sustainability strategy on economic, environmental and social considerations;

c) reviewing, challenging and deciding on management's proposals, and monitor its implementation by management;

d) overseeing and assessing management performance in the conduct of the business of the Company and Group to determine whether the business is being properly managed including principal business risks (including but not limited to bribery and corruption risks, technology and cyber risks and reputational risks associated with these risks);

e) ensuring that there is a sound framework for internal control and risk management including the adequacy and integrity of management information system;

f) identifying and understanding the principal risks of the Company's business and ensuring the implementation of appropriate risk management system and mitigation measures;

g) setting 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;

h) ensuring that Senior Management has the necessary skills and experience and that there are measures in place to provide for the orderly succession planning of the Board and Senior Management, and effective human capital management;

i) overseeing the development and implementation of an investors relation programme or a shareholder communication policy including ensuring the Company has in place the procedures for effective communication with stakeholders;

j) establishing formal schedule of matters specifically reserved for Board's decisions to ensure that the direction and control of the Company is firmly in the Board's hands and should be kept up to date. A schedule of Board reserved matters shall be given by the company secretary to the directors upon their appointment;

k) determining the rules to ascertain the materiality of any transaction and establish clearly which transactions require multiple Board signatures. The Board shall also agree on the procedures to be followed especially when decisions are required between Board meetings;

l) ensuring the integrity of the Company's financial and non-financial reporting;

m) appointing and removing the CE, any other executive directors and the company secretary and determining their remuneration and conditions of service;

n) appointing the Chairman;

o) approving Senior Management succession plans and significant changes to organisational structure;

p) approving policies of company-wide or general application;

q) authorising the issue of shares, options, equity instruments or other securities;

r) approving annual and half-year reports and disclosures to the market that contain or relate to financial projections, statements as to future financial performance or changes to the policy or strategy of the Company;

s) authorising borrowings, other than in the ordinary course of business, and the granting of security over the undertakings of the Company or any of its assets;

t) appointing directors who will come before shareholders for election at the next annual general meeting;

u) authorising expenditures which exceed the CE's delegated authority levels;

v) establishing procedures which ensure that the Board is able to exercise its powers and to discharge its responsibilities as set out in this Charter;

w) approving strategic plans, annual business plans and budgets; approving the acquisition, establishment, disposal or cessation of any significant business of the Company;

x) setting up of subsidiary, joint venture, strategic alliance and partnership;

y) approving dividends, the contents of this Charter and the terms of reference of Board Committees;

z) acting as the governing body who is ultimately responsible and accountable for the implementation of adequate procedures guidelines. This includes demonstrating top level commitment and taking overall responsibility for ensuring that the Company:

1. practises the highest level of integrity and ethics;
2. complies fully with applicable laws and regulatory requirements on anti-corruption;
3. effectively manages the key corruption risks of the organisation; and
4. provides assurance to stakeholders on the effectiveness of the anti-corruption programme;

aa) that corruption risk assessment is conducted, control measures for corruption prevention are put in place and there is systematic review, monitoring and enforcement of the Company's anti-corruption policy;

bb) ensuring that there is training and communication to raise awareness on the Company's anti-corruption policy and programme and overseeing the development and implementation of an anti-corruption compliance programme;

cc) maintaining a firm stance in encouraging the reporting of unlawful or unethical behaviour and ensuring employees and Management are assured of protection where violations are reported in good faith;

dd) overseeing the establishment and ensuring adequacy of tools, system and resources of an integrity and governance unit structure that reports to the GRMC, which reports directly to the Board but where necessary, the integrity and governance unit may report directly to the Board; and

ee) ensuring that all cases related to corruption, red flags and corruption risks arising from report lodged under the Whistleblowing Policy and Procedures shall be dealt with in accordance with MACC Act.

9.3 The Board is primarily responsible to demonstrate its commitment in ensuring that an anti-corruption compliance programme which includes clear policies and objectives that adequately address corruption risks is established, maintained and periodically reviewed.

9.4 In discharging the responsibilities set out in this Charter, all Board members are expected to show good stewardship and act in a professional manner in the best interest of the Company, as well as upholding the core values of integrity and enterprise with due regard to their fiduciary and legal duties and responsibilities and in accordance with the laws in serving the interest of the shareholders, employees, clients, the community and other stakeholders.

9.5 The Board may from time to time delegate certain authority to Board Committees or management but the overall responsibility in the running of the Company remains with the Board. While delegation of authority may be made, the Board should not abdicate its responsibility and should at all times exercise collective oversight of the Board Committees and management. No matters should be delegated to a Board Committee or management if such delegation would significantly hinder or reduce the Board's ability to discharge its functions. In addition, regular review of the division of responsibilities should be conducted to ensure that the Group is able to adapt to changing business circumstances.

9.6 The Board reserves full decision-making power on the following matters:

a) approval of strategic and corporate plans;

b) approval of annual budgets, including major capital commitments;

c) approval of material acquisitions and disposals of undertakings and assets; and

d) changes to the management and control structure within the Company and its subsidiaries, including key policies and delegated authority limits.

10.0 BOARD COMMITTEES

10.1 The Board delegates certain responsibilities to the Board Committees in order for the Board to function effectively as follows:

a) **AC** shall ensure the system of internal controls and financial reporting process is in place and working order, all policies and procedures, regulations and laws are adhered to and the Group assets are safeguarded.

b) **NRC** shall ensure that the Board and Senior Management has an effective structure, composition, size and skills set, the reward system is in place and fair, and the succession plan of the Board and Senior Management is developed and implemented. NRC shall also review the Board performance annually.

c) **GRMC** shall ensure that the Group applies the principles and best practices of corporate governance and corporate responsibility and to ensure that the Group complies with relevant regulatory and legal requirements. GRMC shall also provide in-depth governance of risk for the Group and effectively manage the overall risk exposure of the Group.

10.2 The Board Committees shall operate under clearly defined terms of reference. The Board Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their terms of reference.

10.3 The terms of reference for AC, NRC and GRMC are attached as **Appendix I, II and III** respectively.

10.4 All members of the respective Board Committees are required to undertake continuous training to keep themselves abreast of relevant developments in the economic environment, industry, rules and regulations affecting the business and operations of the Group.

10.5 The chairman of the respective Board Committees shall report to the Board on the outcome of each committee meetings and such reports or minutes shall be included in the Board papers.

11.0 INDIVIDUAL ROLE AND RESPONSIBILITIES

11.1 The roles of the Chairman and the CE are distinct and separate to ensure there is a balance of power and authority and promotes accountability.

11.2 The Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board including leading the Board in its collective oversight of management. Meanwhile, the CE has overall responsibility for the business and the strategic day-to-

day management of the Company in the implementation of the Board's policies and decisions.

11.3 Chairman

Key responsibilities of the Chairman, amongst others, are as follows:

a) providing leadership for the Board so that the Board can perform its responsibilities effectively in all aspects;

b) setting the Board agenda with the assistance of the company secretary and ensuring that Board members receive complete and accurate information in a timely manner;

c) leading board meetings and facilitate healthy discussions to ensure the effective contribution of all directors;

d) encouraging active participation and allowing dissenting views to be freely expressed;

e) managing the interface between Board and management;

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

g) leading the Board in establishing and monitoring good corporate governance practices in the Company;

h) ensuring, together with the company secretary, that the directors are provided with sufficient information and time to prepare for board meetings;

i) maintaining a relationship of trust with and between the CE and NED;

j) facilitating effective contribution of NED and ensuring constructive discussions at Board meetings; and

k) ensuring that all directors are properly briefed on issues arising at Board meetings and there is sufficient time allowed for discussion on complex or contentious issues and where appropriate, arranging for informal meetings beforehand to enable thorough preparations.

11.4 CE

The responsibilities of the CE, amongst others, are as follows:

a) develop and ensure the execution of corporate and day-to-day operational strategies together with the Senior Management including implementation of the Board's policies and decisions;

b) develop and recommend to the Board the long-term strategy and vision that leads to the creation of long-term prosperity and stakeholder value for the Group;

c) develop and recommend to the Board the operational plan and budget to realisation of the Group's long-term strategy;

d) recommend suitable management structure and operating authority levels including responsibilities delegations to the management;

e) formulate and oversee implementation of major corporate policies;

f) report to the Board with regards to financial performance and other relevant matters;

g) refer to the Board Committees on matters as requested;

h) supervise heads of divisions and departments who are responsible for all functions contributing to the success of the Group;

i) ensure the efficiency and effectiveness of the operation for the Group;

j) assess business opportunities which are of potential benefit to the Group; and

k) accountable to the Board for the overall Group performance and observance of management's authority limits. This includes bringing material matters to the attention of the Board in an accurate and timely manner.

11.5 NED/INED

The duties of the NED/ INED, amongst others, are as follows:

a) review and challenge Senior Management's corporate strategy proposals so as to provide an objective judgement to the strategic planning process as well as monitoring management's success in implementing the strategy;

b) oversee the conduct of the Company's business and evaluate whether the business is properly managed. The NED/INED must ensure that there are objectives in place against which management's performance can be measured;

c) in the case of NEDs representing substantial shareholders, to represent their principal's interests to the Board and provide a balanced views to the

Board. In the case of INEDs, they should bring independence of judgement and objectivity to Board deliberations;

d) acquire and provide the necessary skills and experience to bring an independent judgement on issues relating to strategies, performance and resources including key appointments and standard of conduct;

e) ensure that each item of special business included in the notice of general meetings be accompanied by a full explanation of the effects of a proposed resolution; and

f) keep abreast of issues relating to the Company in between meetings.

11.6 Senior INED

The Board shall appoint a senior INED to address the needs and issues of concern of the shareholders and NED. Among his/her responsibilities are to:

a) serve as a designated point of contact for consultation and direct communication with shareholders and other stakeholders on areas that cannot be resolved through normal channels of contact with the Chairman or CE;

b) serve as sounding board for the Chairman and intermediary between other directors and the Chairman on sensitive issues;

c) receive whistle blowing report(s) made by employees or external parties in the form as prescribed under the Whistleblowing Policy and Procedures, and thereafter submit the same to the Chairman of AC with an opinion as to whether the report is frivolous or vexatious based on alleged facts;

d) ensure all independent directors have the opportunity to provide input on meeting 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;

e) consult with the Chairman regarding Board meeting schedules to ensure independent directors can perform their duties responsibly and with sufficient time for discussion of all meeting agenda items; and

f) chair meetings of the Board in the absence of the Chairman or his abstention.

11.7 Individual directors

The directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as directors. These include:-

a) acting in good faith and in the best interests of the Group;

b) objectively discharging their duties and responsibilities at all times as fiduciaries in the interests of the Company;

c) acting with reasonable care, skill and diligence subject to the business judgement rule;

d) avoiding conflicts of interest with the Company and/or the Group in a personal or professional capacity, including improper use of the property, information, opportunity of the Group or position as a director or officer of the Group or engaging in business which is in competition with the Group;

e) ensuring Board information, discussions, deliberations and decisions that are not publicly known are not used for personal interest;

f) disclosing and abstaining from voting on interested matters; and

g) exercising greater vigilance and professional scepticism in understanding and shaping the strategic direction of the Company and/or the Group.

Every director shall devote sufficient time to prepare for and attend Board and Board Committee meetings, attend directors' training programme and briefings. Every director must keep abreast of his responsibilities as a director and of the conduct, business activities and development of the Group.

12.0 DIRECTORS AND SENIOR MANAGEMENT REMUNERATION

12.1 The Company shall set the policies and procedures for Board and Senior Management remuneration at levels which are sufficient to attract and retain the individuals required to run the Company successfully, taking into consideration all relevant factors including demands, function, workload, responsibilities, complexities and performance of the Company, as well as the required mix of skills and experience that is uniquely suited to the Company's business operations.

12.2 The remuneration for INED shall not be in conflict with their obligation to bring objectivity and independent judgement on matters discussed at board meetings. As such, INED's remuneration is a matter for the Board as a whole whereby individual director shall abstain from the discussion of his or her own remuneration.

12.3 The NED shall be rewarded with directors' fees which are approved by shareholders at the AGM and are paid on a quarterly basis. The NED are also paid meeting allowance for every meeting attended.

12.4 The level of remuneration for the directors and Senior Management shall be reviewed by the NRC on an annual basis. On the recommendation of the NRC, the remuneration package for each director shall be approved by the Board.

12.5 Fees payable to NED shall be by a fixed sum, and not by a commission on or percentage of profits or turnover. Salaries payable to executive directors may not include a commission on or percentage of turnover. The fees of directors, and any benefits payable to directors shall be subject to annual shareholders' approval at a general meeting.

12.6 The level of remuneration for the CE and executive directors is determined by the Board, on the recommendation of the NRC, after giving consideration to the compensation levels for comparable positions among other similar Malaysian listed companies.

12.7 The Company shall disclose details of individual director's remuneration on a named basis in its annual report. In the case of Senior Management, the Company however believes that such disclosure is not in the best interest of the shareholders and the Group. The Senior Management of the Group are remunerated based on accepted industry benchmarks.

13.0 BOARD MEETING

13.1 The Board shall conduct at least 4 scheduled meetings annually, with additional meetings to be convened as and when necessary.

13.2 A director or the company secretary, if requested by a director to do so, may convene a Board meeting by serving notice of such meeting to every director.

13.3 A Board meeting may be held either:

a) By a number of the directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or

b) Subject to the MMLR and the rules of BMSB, by means of audio, or audio and visual, communication by which all directors participating and constituting a quorum can simultaneously hear each other throughout the meeting.

13.4 The directors may fix the quorum necessary for the transaction of the business of the directors, and unless so fixed, 2 directors shall form a quorum. No business may be transacted at a meeting of the Board if a quorum is not present.

13.5 Questions arising at any meeting shall be decided by a majority of votes. Every director has 1 vote. In cases of an equality of votes, the chairman of the meeting shall have a second or casting vote except where 2 directors form a quorum and only such a quorum is present or at which only 2 directors are competent to vote on the question at issue, subject always to the MMLR and the rules of BMSB.

13.6 A resolution in writing, signed or assented to by all the directors then entitled to receive notice of the meeting of the Board shall be as valid and effectual as if it had been

passed at a meeting of the Board duly convened and held. Any such resolution may consist of several documents, including facsimile or other means of communication, in similar form, each signed or assented to by one or more directors.

13.7 All directors shall be provided with the performance and progress reports on a timely basis prior to the scheduled Board meetings. A full agenda of the meeting and complete and accurate Board papers shall be distributed at least 5 business days in advance to ensure the directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification from the management and the company secretary, should such a need arise. Where necessary, the services of other Senior Management or external consultants shall be arranged to brief and help the directors clear any doubt or concern.

13.8 All Board members should ensure that the minutes of meetings accurately reflect the deliberations and decisions of the Board, including whether any director abstained from voting or deliberating on a particular matter.

14.0 BOARD EVALUATION

14.1 The Board shall conduct a formal and objective annual evaluation of individual performance of a director (including independence of the directors), collective performance of the Board and each Board Committee.

14.2 The Board may periodically engage independent experts to facilitate objective and candid Board evaluations which will lead to greater objectivity to the assessment by providing an unbiased perspective on a director's performance and his ability to contribute effectively to the Board.

14.3 The set of criteria for the assessment of all directors including independent directors are enumerated below:

Criteria for Board evaluation:-

- Assessment of achievement against mandate.
- Evaluation of organisation performance against industry norms and measurement of performance indicators.
- Dealing fairly with staff and others.
- Achievement of Board objectives, quality of decisions (value-adding).
- Ability to conduct business honestly, ethically and professionally.
- Effective committee structures.
- Collective responsibility and teamwork demonstrated.
- Compliance with Code of Corporate Governance.
- Frequency and duration of board meetings appropriate; quality of board papers; relevance and completeness of agendas.
- Information and advice received was relevant, adequate and timely.

- Effective reporting – disclosure, transparency, clarity.
- Monitoring and feedback process effective.
- Ability to innovate, change, improve and learn.
- Ability to interact with shareholders effectively.

Criteria for Individual Director evaluation:

- Attendance at Board meetings and level of preparation at meetings.
- Commitments to serve the Company in terms of time, team player, effort, contribution, due diligence and integrity.
- Character and integrity in dealing with conflict of interest or potential conflict of interest situations.
- Will and ability to critically challenge and ask the right questions.
- Exposure to orientation, upgrading knowledge base.
- Knowledge of the Company, the Group and industry.
- Understanding of the Company's mission, vision, and strategic plans.
- Bringing special expertise to the Board.
- Confidence to stand up for a point of view.

Criteria for Board Independence:

The Board assesses the independence of its Directors annually, taking into consideration the criteria prescribed under the MMLR for determining Director independence. These criteria are applied upon a Director's appointment, on an annual basis thereafter, and whenever any new interest or relationship arises that may affect the Director's independence.

14.4 The Board should disclose the assessment carried out and its outcome in accordance with the requirements of the MMLR, MCCG and other applicable laws.

15.0 CODE OF CONDUCT AND BUSINESS ETHICS (CCBE) POLICY AND PROCEDURES

15.1 The directors and all employees of the Group are expected to conduct themselves with the highest standards of integrity, ethics and corporate behaviour across every level of the Group, devote sufficient time and effort to carry out their responsibilities, act with integrity and behave ethically and professionally at all times, thereby protecting and promoting the reputation and performance of the Company and shall observe the Company's CCBE which cover the following core areas:

- Workplace culture;
- Conflict of interest;
- Safeguarding against bribery, corruption, power abuse, insider trading, money laundering and unethical practices;
- Sponsorship and donation;

- Protecting Ranhill; and
- Dealing with business partners and outsiders.

15.2 Where any of the Board members has an interest in a transaction entered into by the Company or the Group, he/she shall declare his/her interest, abstain from any deliberation and decision making. If necessary, he/she may be required to excuse himself/herself from the meeting in respect of that transaction.

15.3 The Company communicates its CCBE to all directors and employees upon their appointment/employment and is deemed to be part of the Terms and Conditions for/of Service. Directors are required to sign off the Acknowledgement and Declaration Form of CCBE.

15.4 The Board shall ensure assurance to its internal and external stakeholders that the Group is operating in compliance with its policies and any other applicable regulatory requirements. This includes establishing a “tone from the top” and spearheading the Group’s efforts to improve on its corruption risk management framework, internal control system, review and monitoring as well as training and communication.

15.5 Besides, the Board shall also direct and periodically review an anti-corruption compliance programme which includes clear policies and objectives that adequately addresses corruption risk.

15.6 The CCBE is published on the Company’s website.

16.0 WHISTLEBLOWING POLICY AND PROCEDURES

16.1 The directors shall also observe the Whistleblowing Policy and Procedures of the Group which is developed to manage improper conduct such as criminal activity, breach of legal obligation (including negligence, breach of contract, breach of law), miscarriage of justice, danger of health and safety or to the environment.

16.2 The policy sets out avenues where legitimate concerns can be objectively investigated and addressed. Employees shall be able to raise concerns about illegal, unethical or questionable practices in confidence and without the risk of reprisal. The policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.

17.0 BOARD DYNAMICS AND RIGHTS

17.1 Financial positions and future prospects

The Board shall present a clear and balanced assessment of the Company’s financial position and future prospects submitted to regulators and other stakeholders.

17.2 Financial Statements

The Board shall ensure that the financial statements are prepared in accordance with the CA 2016 and applicable approved accounting standards, so as to give a true and fair view of the state of affairs of the Group and the Company.

17.3 Enterprise risk management system and internal control

The Board shall ensure that an enterprise risk management system is in place and practised, and the system of internal controls is reviewed on a regular basis and complied with.

17.4 Updating shareholders and investors on material business matters

The Board shall keep the shareholders and investors informed of all material business matters affecting the Group by adopting an open and transparent Corporate Disclosure Policy.

17.5 Right to resources [11]

Subject to the provisions in the applicable laws, every director shall have the right to the resources, whenever necessary and reasonable for the performance of his duties, at the cost of the Company and in accordance with the Board's procedure, including but not limited to:

a) full and unrestricted access to any information pertaining to the Group and the Company;

b) obtaining full and unrestricted access to the advice and services of the company secretary; and

obtaining independent professional or other advice.

18.0 MANAGEMENT

18.1 The Board has delegated its authority to the CE and the Senior Management to manage the Company and Group in accordance with the strategic direction and delegation of the authority set by the Board.

18.2 The CE, assisted by his Senior Management including Executive Directors (as the case may be), serves as a conduit between management and the Board and is responsible to spearhead the business through effective implementation of the Company's strategic plan and policies established by the Board and managing the daily operations of the Company.

[11] Paragraph 15.04 of the MMLR.

18.3 In discharging the above responsibilities, the CE can delegate appropriate functions to any member of the Senior Management including Executive Director(s) who shall report to the CEO, but accountable to the Board.

18.4 The CE reports to the Board on the Group's performance from time to time and is accountable to the Board for the performance and proper management of the Group.

18.5 The Board shall have full and unrestricted access to management and information pertaining to the Group.

19.0 RELATIONSHIP WITH STAKEHOLDERS

19.1 The Board shall ensure that there is effective, transparent and regular communication with its stakeholders.

19.2 The Board shall adopt the following measures as means of communication to ensure there is effective, transparent and regular communication with the shareholders and other stakeholders:

a) timely announcements and disclosures to BMSB, which includes quarterly financial results, material contract awarded, changes in the composition of the Group and any other material information that may affect investors' decision making;

b) analysts briefing;

c) press conference after each AGM or on a-need-to basis;

d) press statement;

e) dialogue with shareholders at the AGM;

f) ensure that the Company's website provides easy access to corporate information pertaining to the Company and its activities and is continuously updated; and

g) adopt any other form of communication in disseminating information to shareholders and investors.

20.0 GENERAL MEETINGS

20.1 The Company shall hold its AGMs in accordance with the provisions of the CA 2016. All other general meetings other than AGMs shall be called extraordinary general meetings (EGM).

20.2 All general meetings shall be held at such time and place the Board shall determine. All directors of the Company shall attend the general meetings. The chair of the Board Committees should provide meaningful response to any questions addressed to them.

20.3 Under the MMLR and CA 2016, the notice convening an AGM shall be given to the shareholders at least 21 days prior to the meeting[12]. Notwithstanding the foregoing, the Board seeks to provide the notice convening an AGM at least 28 days prior to the meeting in order to afford the shareholders enough time to better review the proposed resolutions as well as to make arrangement to attend the AGM or to send proxies.

20.4 The Company may leverage technology to enable the shareholders to participate at the general meetings in the following manner:

a) voting in absentia; and

b) participation from different locations (remote participation).

21.0 COMPANY SECRETARY

21.1 The Board shall appoint a suitably qualified and competent company secretary who plays an important advisory role to the Board and Board Committees on issues relating to compliance with governance best practices, laws, rules, procedures and regulations affecting the Company and Group. The company secretary shall possess the knowledge and experience to carry out his/her functions. These may include knowledge in company and securities law, finance, governance, company secretarial and other areas of compliance such as the provisions of the MMLR.

21.2. The company secretary shall be of a senior position with adequate authority and shall report directly to the Board. The removal of the company secretary shall be a matter for the Board as a whole.

21.3 The Board members have full and unlimited access to the professional advice and services of the company secretary.

21.4 Responsibilities of the company secretary include:

a) manage all Board and Board Committee meetings logistics, attend and record minutes of all Board and Board Committee meetings and facilitate board communications;

b) advise the Board on its roles and responsibilities;

[12] Paragraph 7.15 of the MMLR and Section 316(2)(a) of the CA 2016.

c) facilitate the orientation of new directors and assist in director's training and development;

d) advise the Board on corporate disclosure and compliance with company and securities regulations and listing requirements;

e) manage processes pertaining to the general meeting of shareholders;

f) monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and

g) serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

22.0 REVIEW OF THE BOARD CHARTER

22.1 This Charter and any subsequent amendment to it shall only be approved by the Board.

22.2 This Charter and the Terms of Reference of each Committee established by the Board shall be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

22.3 This Charter is made available for reference on the Company's website at www.ranhill.com.my.

23.0 APPENDICES

APPENDIX I : TERMS AND REFERENCE OF AUDIT COMMITTEE;

APPENDIX II : TERMS AND REFERENCE OF NOMINATING AND REMUNERATION COMMITTEE; AND

APPENDIX III : TERMS AND REFERENCE OF GOVERNANCE AND RISK MANAGEMENT COMMITTEE.