

ECOBUILT HOLDINGS BERHAD
200301033338 (635759-U)

BOARD CHARTER

1. Introduction

This Board Charter has been adopted by the Board of Directors (“Board”) of Ecobuilt Holdings Berhad (“ECOBUILT” or “Company”) which collectively leads and is responsible for the success of the Company and its subsidiaries (“Group”) by providing entrepreneurial leadership and supervision as well as direction of the management. The Board is the ultimate decision making body.

This Board Charter is subject to the provision of the Companies Act 2016 (“the Act”), Company’s Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”), the practices and guidance of the Malaysian Code on Corporate Governance (“MCCG”) and any other applicable laws or regulatory requirements.

2. Purpose

The Board Charter sets out the duties, responsibilities, functions and power of the Board and various Board Committees in accordance with the principles of good corporate governance as set out in the guidelines issued by the regulatory authorities.

3. Board Structure

(a) Board Composition and Balance

The Company’s Constitution specifies that the number of Directors shall be at least three (3) and (unless otherwise determined by ordinary resolution) not more than ten (10). At least two (2) or one-third (1/3), whichever is higher, of the Board members shall comprise Independent Directors.

The Independent Directors shall provide independent and objective judgement and mitigate risks arising from conflict of interest or undue influence from interested parties. The Independent Directors shall assist to ensure that the interests of all shareholders are taken into consideration by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

The Chairman of the Board shall be an Independent Director. However, where the Chairman is not an Independent Director, the Board shall comprise a majority of Independent Directors to ensure balance of power and authority on the Board.

The Board may appoint a Senior Independent Director to whom shareholders’ concerns can be conveyed.

The Board shall undertake an assessment of the independence of its Independent Directors on an annual basis to examine the level of independence of the Independent Directors and to ensure the Independent Directors can continue to bring independent and objective judgment to board deliberations.

The tenure of service of Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Non-Executive Director. If the Board intends to retain an Independent Director beyond nine (9) years, it shall justify and seek shareholders' approval through a two-tier voting process in accordance with MCCG. In obtaining the shareholders' approval, the NC should conduct an assessment of the Independent Director and recommend to the Board whether the Independent Director should remain independent.

Notwithstanding of the above, the tenure of an Independent Director in any one or more of the Company must not exceed a cumulative of twelve (12) years from the date of his/her first appointment as an Independent Director. Upon completion of a cumulative term of twelve (12) years, such Independent Director may only continue to serve on the Board if he or she is re-designated as Non-Independent Director.

(b) Appointment and Re-election of the Directors

(i) Nomination and Appointment

The Board may exercise the power pursuant to the Company's Constitution to appoint a person who is willing to act to be a Director either to fill a casual vacancy or as an additional Director upon due recommendation from the NC. In making its recommendation, the NC shall assess the suitability of the candidate, taking into account the required mix of skills, qualifications, experience, fit and properness and other qualities, which the Director would bring to the Board.

The Company Secretary has the responsibility of ensuring that relevant procedures to the appointment of new Directors are properly conducted.

On the appointment of new Director, the new Director is required to commit sufficient time to attend to the Company's meetings/matters before accepting his/her appointment to the Board.

No person shall be appointed, re-appointed, elected or re-elected as a Director on the Board or continue to serve as a Director if the person is or becomes an active politician. A person is considered an "active politician" if he/she is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.

(ii) Re-election and re-appointment

The Director(s) appointed during the year is required to retire and seek election by shareholders at the following Annual General Meeting (“AGM”) immediately after their appointment. As required in the Company’s Constitution, one-third (1/3) of the Directors for the time being, or if their number is not three (3) or multiple of three (3), then the number nearest to one-third (1/3), shall retire from office at the conclusion of the AGM in every year provided always that all Directors shall retire from office once at least in each three (3) years, but shall be eligible for re-election.

All Directors who are subject to re-election shall undergo the fit and proper assessment in accordance with the Directors’ Fit and Proper policy.

The NC conducts an annual assessment on the performance of each Director. The results of the review of individual Directors together with the recommendation by the NC will be taken into account by the Board in determining the assessment of the Directors and also on the re-appointment/re-election of Directors by shareholders under the annual re-election provisions.

(iii) New Directorship and Time Commitment

A Director may accept appointments to other board, provided that such appointments do not result in any conflict interests with the Group and does not detrimentally affect the Director’s performance as a Board member.

The Chairman of the Board and the Company Secretary shall be notified of any new directorship by any Board members. The Chairman shall also notify the Board if he/she has any new directorship or significant commitments outside the Company. The notification shall include an indication of time that will be spent on the new appointment.

Directors shall devote sufficient time to carry their responsibilities. Each Director is expected to commit time as and when required to discharge the relevant duties and responsibilities.

The number of directorships in listed corporations held by any Board Member at any one time shall comply with the Listing Requirements.

Every Director must attend at least 50% of the total Board of Directors’ meetings held during a financial year. A Director shall vacate office if he/she is absent for more than 50% of the total Board meetings held during the financial year.

(iv) **Director Training Requirement**

The Board shall ensure compliance of Bursa Malaysia Mandatory Accredited Programme (“MAP”) for newly appointed directors and assess further training programmes needs of the Directors on an on-going basis.

In addition to the MAP as required by the Bursa Securities, the Directors shall continue to update their knowledge and enhance their skill through appropriate continuing education programmes and life-long learning. This will enable Directors to effectively discharge duties and sustain active participation in the Board deliberation.

The Board, through the NC, shall assess the training requirement of the Directors from time to time and each of the directors is advisable to attend at least one (1) workshop or seminar during a financial year.

Directors may request that training programmes on specific subjects be arranged in order to facilitate them in discharging their duties effectively.

(c) **Annual Review of Directors**

The Board, through the NC, shall undertake to review and evaluate its own performance on an annual basis to ensure Board effectiveness.

(d) **Principal Duties and Responsibilities of the Board**

The Board who oversees the business and affairs of the Company will assume the following responsibilities:-

- Reviewing, adopting and monitoring strategic plan for the Group to ensure that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- Overseeing the conduct of the Company’s business to ensure it is properly managed;
- Identifying risks and assume active role in ensuring the implementation of appropriate systems to manage or mitigate these risks;
- Succession planning, including appointing, training, fixing the compensation of the key managements;
- Ensuring measures are in place to assess and oversee Management’s performance;
- Developing and implementing an investor relations programme or shareholder communications policy for the Group;

- Reviewing the adequacy and integrity of the Group's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines;
- Setting the risk appetite within which the Board expects Management to operate and ensuring that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risk;
- 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;
- Together with Management, taking responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets. The Board takes into account sustainability considerations when exercising its duties including among others the development and implementation of the Company's strategies, business plans, major plans of action and risk management;
- Ensuring that the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders;
- Taking appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities;
- Ensuring that all its directors are able to understand financial statements and form a view on the information presented and ensuring that integrity of the Company's financial and non-financial reporting; and
- Ensuring that the Company has in place procedures to enable effective communication with stakeholders.

(e) Matters Reserved for the Board

The Board reserves a formal schedule of matters for the Board's deliberation and approval. This includes, among others, the following matters:-

- Strategic issues and planning, including sustainability;
- Budget and performance reviews;
- Quarterly financial results and audited financial statements;

- Interim dividends, recommendations of final dividends and making of any other distribution;
- Proposal to increase/decrease capital;
- Treasury policies;
- Limits of authority;
- Material acquisitions and disposals of undertakings and properties of substantial value;
- Proposed appointment of external auditors and their audit fees;
- Related party transactions (“RPT”), recurrent RPT and conflict of interest situation that may arise within the Company or the Group, including any transaction, procedures or course of conduct that raises question on management integrity and any recommendations relating thereto as set out in the Terms of Reference (“TOR”) of Audit Committee (“AC”);
- New venture.

5. **Role of the Board Committee**

The Board may from time to time establish committees as it considers appropriate to assist in carrying out its duties and responsibilities. The Board delegates certain functions to the following committees to assist in the execution of its responsibilities:-

- (i) Audit Committee;
- (ii) Nomination Committee;
- (iii) Remuneration Committee; and
- (iv) Option Committee.

The above Committees shall operate within the roles and responsibilities as set out in the TOR of each Committee. The Committees are authorised by the Board to deal, deliberate and carry out the matters delegated to them within their TOR. The Chairman of the respective Committees shall report the outcome of the Committee meeting to the Board accordingly and such reports or minutes will be included in the Board papers.

The Board, through the NC, shall review the Board Committees’ effectiveness on an annual basis. These assessments can be used to facilitate the NC’s evaluation of Board Committees’ performance.

The TOR of the respective Board Committees are as attached to this Board Charter under the following Appendices:-

- (i) Appendix I – Terms of Reference of the Audit Committee
- (ii) Appendix II – Terms of Reference of the Nomination Committee
- (iii) Appendix III – Terms of Reference of the Remuneration Committee
- (iv) Appendix IV – Terms of Reference of the Option Committee

6. Board Process and Meeting Procedures

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. A Director may at any time and the Company Secretary shall on his/ her requisition summon a meeting of the Directors.

(a) Frequency

The Board shall schedule to meet at least four (4) times a year. However, additional meetings may be convened as and when deemed necessary as determined by the member of the Board 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.

(b) Notice

The Notice of Board Meeting together with Board Papers or such relevant materials should be delivered at least five (5) business days, or a shorter period where unavoidable, in advance to all Directors and the parties being invited to the Board Meeting for their review in order to facilitate meaningful deliberation during the meeting.

(c) Quorum

Pursuant to the Company's Constitution, the quorum of the Board Meeting shall be two (2).

(d) Attendance at Board Meeting

All Directors must meet the minimum 50% attendance requirement imposed under the Listing Requirements. Senior management who are not Directors may be invited to attend and speak at Board and Committee Meetings to provide inputs as and when necessary. The Board may also invite external parties such as auditors, solicitors and consultants to attend as and when the need arises.

(e) Meeting Mode

A Board Meeting or any Board Committee meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the Directors as whole to participate for the entire duration of the meeting. The technology to be used for the purpose of this paragraph must be such that each Director taking part in the meeting must be able to communicate simultaneously with each of the other

Director taking part in the meeting and may include telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.

A virtual meeting shall be deemed to constitute a Board meeting provided that the following are met:-

- all the Directors for the time being entitled to receive notice of the Board meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted under the Constitution of the Company; and
- a Director shall not leave the meeting by disconnecting from the technology used unless he/she has notified the Chairman of the meeting of his/her intention to leave the meeting and a Director shall be presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his/her leaving the meeting.

The main venue of the meeting shall be the place where the Chairman is present.

(f) Directors' Written Resolution

In the event matters requiring the Board's decision arise between Board Meetings or any Board Committee meetings, such matters shall be resolved through written resolutions which shall be supported by relevant papers setting out details of the subject matter. Such written resolutions signed or approved by a majority of the Directors entitled to vote and sign on the resolution, if transmitted to the Company by any technology purporting to include a signature and/or an electronic or digital signature by the Director shall be as valid and effectual as if it were a resolution duly passed at a Board Meeting. Such resolutions may consist of several documents in like form, each signed by one or more Board members.

(g) Voting

Question arising at a Board Meeting shall be decided by a majority of votes of Directors present and any such decision shall for all purposes be deemed a decision of the Directors. In the case of an equality of votes, the Chairman of the Board Meeting shall have a second or casting vote. However, when two (2) Directors form a quorum, the Chairman of the meeting at which only such a quorum is present, or at which only two (2) Directors are competent to vote on the question at issue shall not have a casting vote.

Directors are required to inform the Board of conflicts or potential conflict of interest that they may have in relation to a particular subject matter or business transaction. These Directors shall abstain from deliberation and voting on those matters.

(h) Minutes

The Board shall record its deliberation, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities. The draft minutes shall be circulated to all members of the Board in a timely manner and be tabled at the following meeting for confirmation.

7. Directors' Remuneration

Remuneration Committee ("RC") is responsible to recommend the remuneration packages for the Executive Director(s) taking into consideration of the individual performance, seniority, experience and scope of responsibilities that is sufficient to attract and retain the Directors needed to run the Company successfully.

The determination of remuneration packages of Non-Executive Directors should be a matter for the Board as a whole and the individual concerned should abstain from discussing their owing remuneration. Fees payable to the Non-Executive Directors shall be a fixed sum and shall not be payable by a commission on or percentage of profits or turnover.

The fee and any benefits payable to the Non-Executive Directors shall be subject to annual shareholders approval at a General Meeting. Directors who are shareholders and controlling shareholders with a nominee or connected Director on the Board shall abstain from voting on the resolution to approve directors' fees and benefits at the General Meeting.

The Board shall establish a formal and transparent process for approving the remuneration of Directors, whereby the RC is responsible for reviewing the remuneration policy and making recommendations on the same to the Board for approval. In its review, the RC considers various factors including fiduciary duties, time commitments expected of them and the Company's performance.

8. Roles of the Chairman

The role of the Chairman and the Managing Director/Chief Executive Officer ("CEO") shall be distinct and separated to ensure a balance of power and authority.

The responsibilities of the Chairman should include leading the Board in the oversight of management, amongst others, includes the following roles and responsibilities :-

- Providing support and guidance to senior management to assist and facilitate management succession planning;
- Grooming and mentoring senior management to achieve consistently high levels of professionalism and excellent performance;

- Chairing the Board Executive Committee meetings;
- Providing leadership to the Board and is responsible for the developmental needs of the Board, establishing and nominating good corporate governance practices;
- Ensuring that guidelines and procedures are in place to govern the Board's operation and conduct;
- Ensuring the smooth functioning of the Board and the Governance structure and inculcating positive culture in the Board;
- Ensuring that procedures and processes are in place to facilitate effective conduct of business by the Board;
- Chairing Board meetings and ensures the following:
 - ❖ All relevant issues are on the agenda of Board meetings;
 - ❖ Board debates strategic and critical issues;
 - ❖ Board receives the necessary management reports relating to the Company's business on a timely basis;
 - ❖ All directors are able to participate openly in discussions at Board meetings;
 - ❖ Providing leadership to the Board and is responsible for the developmental needs of the Board; and
 - ❖ Chairing General Meetings of the Company and provide clarification on issues that may be raised by shareholders alongside the Managing Director/CEO.

9. **Roles of Managing Director/ Chief Executive Officer/Executive Directors**

The Managing Director/CEO shall focus on the business operation and day-to-day management of the Company. Amongst others, the responsibilities of the Managing Director/CEO/Executive Directors shall include the following :-

- Developing the business direction and strategies of the Company;
- Ensuring that the Company business strategies and policies are effectively implemented;
- Providing the direction for the implementation of short and long term business plans;
- Providing strong leadership ie. Effectively communicating a vision, management philosophy and business strategy to employees;
- Keeping the Board well informed of salient aspects and issues concerning the Company operations and ensuring that adequate management reports are submitted to Board members;

- Responsible for the effective management of the Company's day-to-day operations;
- Ensuring that there are adequate systems and controls to safeguard the interests of the Company and all stakeholders.

10. Roles of Independent Non-Executive Directors

An Independent Director shall provide the independent judgment and opinions during Board Meeting. Amongst others, includes the following roles and responsibilities:-

- Providing independent and objective views (in the case of Non-Executive Directors who are Independent Non-Executive Directors), assessment and suggestions in deliberations of the Board;
- Ensuring effective check and balance in the proceedings of the Board;
- Mitigating any possible conflict of interest between the policy-making process and day-to-day management of the Company;
- Constructively challenging and contributing to the development of the business strategies and direction of the Company;
- Ensuring that there are adequate systems and controls to safeguard the interests of the Company and all stakeholders;
- Ensuring that the culture of accountability, transparency, integrity, professionalism and responsible conduct is consistently adhered to in the Company.

11. Company Secretary

The Company Secretary shall be a person who is qualified pursuant to Section 235(2) of the Act and competent in carrying his/her duties. The appointment and removal of the Company Secretary shall be decided by the Board of Directors.

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

- i. Manage all Board and Committee meeting logistics, attend and record minutes of all Board and Committee meetings and facilitate board communications;
- ii. Ensure statutory records are kept and maintained in a proper manner, in compliance with all applicable laws and regulatory guidelines;
- iii. Advise the Board on its roles and responsibilities;
- iv. Facilitate the orientation of new directors and assist in director training and development;
- v. Advise the Board on corporate disclosures and compliance with the Act and securities regulations and Listing Requirements;

- vi. Manage processes pertaining to the annual shareholder meeting;
- vii. Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
- viii. Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

12. Access to Information and Independent Professional Advice

All the directors, including Independent Non-Executive Directors, are allowed to access to information concerning the Company or other external information as they may feel necessary, in furtherance of their duties and responsibilities as Directors in the Company. Management should supply accurate and complete information to the Board in a timely manner to enable the Board to discharge its duties effectively. Board papers and reports which include the Group's performance and major operational, financial and corporate information will be distributed to the Directors with sufficient time prior to Board meetings to enable Directors to obtain further explanation, where necessary, in order to be properly briefed before the meeting.

All Directors should have access to the advice and services of the Company Secretary.

The Board collectively, and each Director individually, has the rights to seek independent professional advice at the Company's expenses, subject to the approval by the Board. It must be noted that such a restriction is not applicable to the Executive Director who is acting in his/her capacity of the furtherance of his/her executive responsibilities and within his/her delegate powers.

13. Internal Control and Risk Management

The Board is responsible to maintain a sound system of internal controls to safeguard shareholders' investment and Group's assets. The Board shall recognize that such system is structured to manage rather than eliminate possibility of encountering risk of failure to achieve corporate objectives.

The Company outsourced its internal audit function to a consultancy firm which provides the Board with the level of assurance required on the adequacy and integrity of the system of internal control. The internal audit function adopts a risk-based approach and prepares its audit strategy and plan based on the updated risk profile of the Company.

The AC considers the report from the internal audit function and Management's responses, before reporting and making recommendations to the Board in strengthening the risk management and internal control systems.

14. Financial Reporting

The Board is responsible to ensure that the financial statements are prepared in accordance with the Act and the applicable approved accounting standards set by Malaysian Accounting Standard Board so as to present a balanced and fair assessment of the Group's financial position and prospects. The Directors are also responsible for keeping proper accounting records, safeguarding the assets of the Company and taking reasonable steps to prevent and enable detection of fraud and other irregularities.

15. Investor Relations and Shareholders Communication

The Board recognizes and values the importance of an effective and clear communication with its shareholders as well as its potential investors and the public. The Board shall ensure the important information are disseminated to shareholders, stakeholders and the public at large through timely announcement of events, quarterly announcement of financial results to all shareholders in line with Bursa Malaysia objectives of ensuring transparency and good corporate governance. Additional information is available from the Company's website [www.eco-built.com.my].

The General Meetings are the principal forum for dialogue and interaction with shareholders. The Board will focus its efforts on the following best practices to enhance the effectiveness of the General Meetings:-

- i. Ensure the notice of AGM is given at least twenty-eight (28) days before the date of the AGM;
- ii. All Directors are to attend the General Meetings;
- iii. Ensure that each item of special business included in the notice of AGM is accompanied by a full explanation of the effects of the proposed resolution;
- iv. Ensure that the notice of AGM states which Directors are standing for election or appointment, with a brief description on their age, relevant experience, designation in the Company, list of directorship, date of appointment to the Board, membership in any Board Committees, details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company as a whole and whether the Board is in support of the re-election or appointment and the reasons;
- v. Ensure that the Chairman provides reasonable time for discussion at the General Meetings;
- vi. Ensure that General Meetings support meaningful engagement between the Board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the Company's financial and non-financial performance as well as the Company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the General Meetings and all the questions should receive a meaningful response. Where appropriate, the Board will endeavour to provide the shareholders with a reply to any significant question which cannot be answered immediately;

- vii. Ensure that resolutions set out in the notice of General Meetings are voted by poll;
- viii. Shall leverage on technology to facilitate voting (including voting in absentia) and remote shareholders' participation at General Meetings;
- ix. Ensure that at least one (1) scrutineer is appointed to validate the votes cast at the General Meetings. Such scrutineer must not be an officer of the Company or its related corporation, and must be independent of the person undertaking the polling process;
- x. Ensure that there is a channel of communication on feedback and queries from shareholders; and
- xi. Ensure minutes of the General Meetings will be circulated to shareholders or uploaded onto the Company's website no later than thirty (30) business days after the General Meetings.

16. Conflict of Interests

In accordance with the Company's Constitution, a Director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with the Company shall declare his interest in accordance with the Act. The Director concerned shall not participate in deliberations and shall abstain from voting in any matters relating thereto unless otherwise as provided for in the Company's Constitution.

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

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

17. Fit and Proper Policy

The Board must have a fit and proper policy for the appointment and re-election of Directors of the Company and its subsidiaries to ensure that each of its Director has the character, experience, integrity, competence, time and commitment to effectively discharge his/her role as a Director of the Company.

The Board, as assisted by the NC, is responsible for conducting assessments on the fit and properness of the Directors and to make the necessary decision on the re-election/appointment.

The Fit and Proper Policy is published on the Company's website.

18. Whistleblowing Policy

The Company has adopted a Whistleblowing Policy with the objective of protecting integrity, transparency, impartiality and accountability in all of its business operations. The whistleblowing policy provides a structured reporting channel and guidance to all employees and external parties to whistle blow without the fear of victimization.

The Whistleblowing Policy is published on the Company's website.

19. Anti-Bribery and Corruption Policy

The Group takes a zero-tolerance approach to all forms of corruption and bribery as well as takes a strong stance against such acts. The Group is committed to conducting business in an honest and ethical manner, as well as to complying with all applicable laws and regulations. The Board has formalised and established an Anti-Bribery and Corruption Policy.

The Anti-Bribery and Corruption Policy sets out the Group's position on bribery and corruption in all its forms and provides principles, guidelines, and requirements on how to deal with bribery and corrupt practices that may occur within the Group as well as in its interactions with its business associates. The Anti-Bribery and Corruption Policy applies to the Directors, officers, all employees, and relevant third parties of the Group.

The Anti-Bribery and Corruption Policy is published on the Company's website.

20. Code of Conduct and Ethics

The Code of Conduct and Ethics shall be based on the following principles :-

- Conflicts of interests;
- Corporate opportunities;
- Protection of confidential information;
- Compliance with laws, rules and regulations;
- Trading on inside information;
- Compliance with this Code and reporting of any illegal or unethical behavior; and
- Waivers and amendments.

This Code of Conduct and Ethics is to be observed by all employees, officers and directors of the Group. The Board shall review the Code of Conducts and Ethics periodically to ensure it remains relevant and appropriate.

The Code of Conducts and Ethics is published on the Company's website.

21. Corporate Social Responsibilities

The Board shall ensure the Company commits towards good corporate social responsibility participation especially the areas on the workplace, the community and the market place including the conduct of various training programmes for the human capital development, the commitment on time and effort in educating and developing the next work generation through the ECOBUILT Internship Program and to continue to invest in the R&D and places importance on innovation to enrich the quality of its product and services in ensuring customer satisfaction.

22. Review of Board Charter

The Board Charter will be reviewed periodically and updated in accordance with the needs of the Company and any new regulation that may have an impact on the discharge of the Board's responsibilities.

This Charter shall be made available at the Company's website at www.eco-built.com.my.

APPENDIX I
ECOBUILT HOLDINGS BERHAD
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AUDIT COMMITTEE

TERMS OF REFERENCE

PRIMARY PURPOSES AND OBJECTIVES

The objective of the Terms of Reference of the Audit Committee ("AC") is to establish a documented, formal and transparent procedure for the AC to support and advise the Board of Directors ("Board") of the Company and each of its subsidiaries. The AC shall :

- (a) provide assistance to the Board in fulfilling its fiduciary responsibilities relating to the corporate accounting and practices for the Company and all its wholly and majority owned subsidiaries ("Group").
- (b) improve the Group's business efficiency, the quality of the accounting function, the system of internal controls and audit function and strengthen the confidence of the public in the Group's reported results.
- (c) maintain through regularly scheduled meetings, a direct line of communication between the Board and the external auditors as well as internal auditors.
- (d) enhance the independence of both the external and internal auditors function through active participation in the audit process.
- (e) strengthen the role of the Independent Directors by giving them a greater depth of knowledge as to the operations of the Company and the Group through their participation in the Board Committees.
- (f) act upon the Board request to investigate and report on any issues or concerns in regard to the management of the Group.

COMPOSITION

The AC members shall be appointed by the Directors from among themselves which fulfills the following requirements:

- (a) the AC shall composed of no fewer than three (3) members;
- (b) all the AC members must be Non-Executive Directors, with a majority of Independent Directors;
- (c) at least one (1) member of the AC:-
 - (i) must be a member of the Malaysian Institute of Accountants ("MIA"); or

- (ii) if he/she is not a member of the MIA, he/she must have at least three (3) years' working experience and:-
 - (aa) must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (bb) must be a member of one of the association of accountants specified in Part II of First Schedule of the Accountants Act 1967; or
- (ii) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securites").
- (d) all members of the AC shall be financially literate, have sufficient understanding of the Group's business and they should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules;
- (e) no alternate director shall be appointed as an AC member;
- (f) the Chief Executive Officer shall not be a member of the Audit Committee;
- (g) a former key audit engagement partner of the Company's external audit firm is required to observe a cooling-off period of at least three (3) years before he/ she could be appointed as a member of the AC. This shall apply to all former partners of the external audit firm and/or the affiliate firm (including those providing advisory service, tax consulting, etc.)

The term of office, the effectiveness and performance of the AC and each of its members shall be reviewed by the Board, via Nomination Committee, annually to determine whether the AC and its members have carried out their duties in accordance with these Terms of Reference of the AC.

Where the members of the AC for any reason are reduced to less than three (3), the Board shall within three (3) months from the occurrence of the event, appoint such number of new members as may be required to make up the minimum number of three (3) members. A member of the AC who wishes to retire and resign should provide sufficient written notice to the Company so that a replacement may be appointed before the Director leaves.

CHAIRMAN

The Chairman of the AC shall be appointed by the Board and shall be an Independent Non-Executive Director. The Chairman of the AC is not the Chairman of the Board.

In the absence of the Chairman of the AC in a meeting or if he/she is not present at any AC meeting within fifteen (15) minutes of the time appointed for holding the same, the other members of the AC present shall elect one (1) of their numbers who shall be an Independent Non-Executive Director to chair the meeting.

SECRETARY

The Company Secretary or other appropriate senior official shall be the Secretary to the AC.

AUTHORITY

The AC shall in accordance with the procedure determined by the Board and at the cost of the Company:-

- (a) have explicit authority to investigate any matter within its terms of reference;
- (b) have the resources which are required to perform its duties as set out in these Terms of Reference or any statute or laws;
- (c) have full and unrestricted access to any information pertaining to the Group, which are required to perform its duties as well as to the internal and external auditors and senior management of the Group;
- (d) have direct communication channels with the internal and external auditors and person(s) carrying out the internal audit function;
- (e) be able to obtain independent/external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary;
- (f) be able to convene meetings with the external auditors excluding the attendance of the executive members of the Company, whenever deemed necessary; and
- (g) where the AC is of the view that the matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Securities, the AC shall promptly report such matter to Bursa Securities.

All the recommendations of the AC are subject to the approval of the Board of the Company.

DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the AC are as follows :-

Financial Reporting

1. Review the quarterly results and year-end financial statements of the Group, before the approval by the Board, focusing particularly on:-
 - (i) any changes in or implementation of major accounting policy changes;
 - (ii) adoption of new and/or revised accounting standards;

- (iii) any significant matters highlighted including financial reporting issues, significant judgments made by management, significant and unusual events or transactions, and how these matters are addressed; and
 - (iv) compliance with accounting standards and other legal requirements;
- 2. Review and provide advice on whether the financial statements taken as a whole, provide a true and fair view of the Company's financial position and performance;
- 3. Ask probing questions to ascertain whether the financial statements are consistent with operational and other information known, where there are significant matters requiring judgement

External Auditors

- 1. Review and establish policies and procedures to assess the suitability, objectivity and independence of the external auditors to safeguard the quality and reliability of audited financial statements;
- 2. Review and consider the nomination, appointment and re-appointment of the external auditors, the audit fee and any questions of resignation or dismissal and on whether there is reason (supported by grounds) to believe that the Company's external auditors is not suitable for re-appointment. This includes carrying out an annual assessment and review of the performance, suitability and independence of the external auditors via an External Auditors Assessment Policy;
- 3. Review and approve the non-audit services provided by the external auditors and/ or its affiliate firms to the Group for the financial year, including the nature of the non-audit services, fees of the non-audit services, individually and in aggregate, relative to the external audit fees and safeguards deployed to eliminate or reduce the threat to objectivity and independence in the conduct of the external audit resulting from the non-audit services provided;
- 4. Review the adequacy of the scope, functions and resources of the external auditors and ensure that it has the necessary authority to carry out its work;
- 5. Discuss with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one (1) audit firm is involved;
- 6. Review the following with external auditors and report the same to the Board:
 - (a) the audit plan, its scope and nature;
 - (b) the evaluation of the system of internal controls;
 - (c) the audit report;
 - (d) the management letter and management's responses thereto;

- (e) the assistance given by the employees of the Company to the external auditors, including any difficulties or disputes with management encountered during audit;

Internal Auditors

1. Annually review the adequacy of the scope, functions, competency and resources of the internal audit function (including the name and qualification of the person responsible for the internal audit function), and that it has the necessary authority to carry out its work,
2. Review the internal audit plan, programme, processes, the results of the internal audit assessments, processes or investigation undertaken and whether or not an appropriate action is taken on the recommendations of the internal audit function;
3. Review any appraisal or assessment of the performance of members of the internal audit function;
4. Review whether the internal audit function is carried out in accordance with a recognized framework;
5. Ensure the internal audit function personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
6. Ensure the internal audit function is independent of the activities it audits and reports directly to the AC.
7. Take cognisance of resignations of internal audit staff members (for in-house internal audit function) or the internal audit service provider (for outsourced internal audit function) and providing the resigning staff member or the internal audit service provider an opportunity to submit the reasons for resigning;

Related Party Transactions ("RPT") and Recurrent RPT ("RRPT")

1. Monitor, review and report to the Board any related party transaction and conflict of interests situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
2. In reviewing any RPT or RRPT, the AC shall review the terms thereof to determine whether such RPT or RRPT will be conducted at arm's length basis and on normal commercial terms in the ordinary course of business and on terms not more favourable to the related party than those generally available to the public and will not prejudice the shareholders or disadvantage to the Group.

Others

1. Review all financial related reports/statements as required for inclusion in the Annual Report;
2. Review and consider findings, queries or internal investigations and management's response therewith;

3. Review the adequacy and appropriateness of Anti-Bribery and Corruption Policy, and Whistleblowing Policy, when necessary;
4. Conduct an annual assessment of its own performance. The Nomination Committee shall review the terms of office and assess the AC and each of its members annually to determine whether the AC and its members have carried out their duties in accordance with the Terms of Reference and report to the Board accordingly;
5. To carry out any other function that may be mutually agreed upon by the Committee and the Board which would be beneficial to the Company and ensure the effectiveness discharge of the Committee's duties and responsibilities.

MEETING PROCEDURES

The AC may regulate its own procedures, in particular:

(a) **Frequency**

The AC shall meet at least four (4) times in a year or more frequently as circumstances required with due notice of issues to be discussed and shall record its conclusions in discharging its duties and responsibilities. The Chairman may call for additional meetings at any time at the Chairman's discretion.

Upon the request of any member of the AC, the external auditors or the internal auditors, the Chairman of the AC shall convene a meeting of the AC to consider any matters which should be brought to the attention of the directors or shareholders.

(b) **Notice**

Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the member either personally or by fax or e-mail or by post or by courier to his registered address as appearing in the Register of Directors, as the case may be.

(c) **Quorum**

The quorum for the meeting shall be two (2) members, majority of members present must be Independent Non-Executive Directors.

(d) **Attendance**

The Chief Financial Officer, the representative(s) of internal auditors or external auditors (if required) should normally attend the meetings. The AC may invite any Board member or any member of management or any employee of the Company who the AC thinks fit to attend its meetings to assist and to provide pertinent information as necessary.

The external auditors and internal auditors have the right to appear and be heard at any meeting of the AC and shall appear before the AC when required to do so by the AC.

The Company must ensure that other directors and employees attend any particular AC meeting only at the AC's invitation, specific to the relevant meeting.

The AC shall meet at least once a year with the internal and external auditors without the presence of any Executive Directors, management or employees of the Company. The Chairman of the AC may request for additional meetings if he considers it necessary. The management, internal and external auditors may request for a private session with the ARC to discuss any matter of concern.

(e) Meeting Mode

The AC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the AC members as whole to participate for the entire duration of the meeting. The technology to be used for the purpose of this paragraph must be such that each AC member taking part in the meeting must be able to communicate simultaneously with each of the other AC members taking part in the meeting and may include telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.

A virtual meeting shall be deemed to constitute an AC meeting provided that the following are met:-

- (i) all the AC members for the time being entitled to receive notice of the AC meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted under the Constitution of the Company; and
- (ii) an AC members shall not leave the meeting by disconnecting from the technology used unless he/she has notified the Chairman of the meeting of his/her intention to leave the meeting and a Director shall be presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his/her leaving the meeting.

The main venue of the AC meeting shall be the place where the Chairman is present.

(f) Written Resolution

A resolution in writing signed by a majority of the AC members for the time being shall be as valid and effectual as if it had been passed at a meeting of the AC duly called and constituted.

The resolution may consist of several documents in like form, each signed by one (1) or more AC members. Such document may be accepted as sufficiently signed by an AC member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said AC member.

(g) Voting

Question arising at any meeting of AC shall be decided by a majority of votes of members present. In the case of an equality of votes, the Chairman of the AC meeting shall have a second or casting vote. The Chairman shall not have a second or casting vote when only two (2) members (one of whom is the Chairman) form a quorum or when only two (2) members are competent to vote on the question at issue.

AC members are required to inform the Chairman of conflicts or potential conflict of interest that they may have in relation to a particular subject matter or business transaction. These AC members shall abstain from deliberation and voting on those matters.

(h) Reporting

The AC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each AC meeting.

(i) Keeping of Minutes

Minutes of each AC meeting shall be signed by the Chairman of the meeting at which the proceedings were held and kept as part of the statutory record of the Company upon confirmation by the Board and a copy shall be distributed to each member of the AC.

(j) Custody, production and inspection of such minutes

The minutes shall kept by the Company at the Registered Office or the principal place of business in Malaysia of the Company, and shall be open to the inspection of any member of the AC without charge.

REVIEW OF WRITTEN TERMS OF REFERENCE

Any amendments to this Terms of Reference of the AC shall be approved by the Board. These Terms of Reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the AC's responsibilities.

The written Terms of Reference will be made to public on the Company's website.

APPENDIX II
ECOBUILT HOLDINGS BERHAD
200301033338 (635759-U)

NOMINATION COMMITTEE

TERMS OF REFERENCE

1. Composition

The members, including the Chairman, of the Nomination Committee ("NC") shall be appointed by the Board of Directors ("Board"). Its members shall comprise exclusively of Non-Executive Directors, a majority of whom are Independent Non-Executive Director and shall consist of not less than two (2) members.

In the event of any vacancy in the NC resulting in the non-compliance of the above, the vacancy shall be filled within three (3) months thereof. Therefore, a member of the NC who wishes to retire or resign should provide sufficient written notice to the Company so that a replacement may be appointed before the Director leaves.

2. Chairman

The Chairman of the NC shall be appointed by the Board and shall be an Independent Non-Executive Director or the Senior Independent Non-Executive Director.

In the absence of the Chairman of the NC in a meeting or if he/she is not present at any NC meeting within fifteen (15) minutes of the time appointed for holding the same, the other members of the NC present shall elect one (1) of their numbers who shall be an Independent Non-Executive Director to chair the meeting.

3. Secretary

The Company Secretary or other appropriate senior official shall be the Secretary to the NC.

4. Frequency of Meetings

The NC shall meet at least annually or at such other frequency as the Chairman may determine.

5. Notice of Meetings

Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the member either personally

or by fax or e-mail or by post or by courier to his registered address as appearing in the Register of Directors, as the case may be.

6. Quorum of Meetings

A minimum of two (2) NC members present in person shall constitute the quorum, majority of members present must be Independent Non-Executive Directors.

7. Attendance

Participants may be invited by the NC from time to time to attend the meetings depending on the nature of the subject under review.

8. Meeting Mode

The NC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the NC members as whole to participate for the entire duration of the meeting. The technology to be used for the purpose of this paragraph must be such that each NC member taking part in the meeting must be able to communicate simultaneously with each of the other NC members taking part in the meeting and may include telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.

A virtual meeting shall be deemed to constitute an NC meeting provided that the following are met:-

- (iii) all the NC members for the time being entitled to receive notice of the NC meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted under the Constitution of the Company; and
- (iv) an NC members shall not leave the meeting by disconnecting from the technology used unless he/she has notified the Chairman of the meeting of his/her intention to leave the meeting and a Director shall be presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his/her leaving the meeting.

The main venue of the NC meeting shall be the place where the Chairman is present.

9. Written Resolution

A resolution in writing signed by a majority of the NC members for the time being shall be as valid and effectual as if it had been passed at a meeting of the NC duly called and constituted.

The resolution may consist of several documents in like form, each signed by one (1) or more NC members. Such document may be accepted as sufficiently signed by an NC member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said NC member.

10. Voting

Question arising at any meeting of NC shall be decided by a majority of votes of members present. In the case of an equality of votes, the Chairman of the NC meeting shall have a second or casting vote. The Chairman shall not have a second or casting vote when only two (2) members (one of whom is the Chairman) form a quorum or when only two (2) members are competent to vote on the question at issue.

11. Reporting

The NC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each NC meeting.

12. Minutes of Meeting

Minutes of each NC meeting shall be signed by the Chairman of the meeting at which the proceedings were held and kept as part of the statutory record of the Company upon confirmation by the Board and a copy shall be distributed to each member of the NC.

13. Authority

The NC shall in accordance with the procedure determined by the Board and at the cost of the Company:-

- (i) have explicit authority to investigate any matter within its Terms of Reference;
- (ii) have the resources which are required to performs its duties as set out in these Terms of Reference or any statute or laws; and
- (iii) be able to obtain independent/ external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

All the recommendations of the NC are subject to the approval of the Board of the Company.

14. Duties and Responsibilities

The duties and responsibilities of the NC shall include the following:-

- (a) Assess and recommend to the Board, the nomination of candidates for appointment of Board members and senior management. In making the recommendations, the NC shall consider the candidates':-
- (i) skills, knowledge, expertise, experience, fit and properness, age, cultural background and gender to achieve boardroom diversity;
 - (ii) professionalism;
 - (iii) character, competence, integrity, reputation and track record;
 - (iv) time commitment to effectively discharge his/her role as a Director;
 - (v) ability to understand financial statements and form a view on the information presented;
 - (vi) in the case of candidates for the position of Independent Non-Executive Directors, to evaluate the candidates' ability to discharge such responsibilities/functions as expected from Independent Non- Executive Directors and the fulfilment of the independence criteria; and
 - (vii) such other criteria and attributes that may be deemed appropriate or relevant.
- (b) Consider, in making its recommendations, candidates for directorships proposed by the existing Board members, management and major shareholders. If the selection is based on recommendations by the existing Board members, management or major shareholders, the NC shall explain why other sources were not used. NC may also identify suitable candidates for Board position from independent sources and variety of approaches such as sourcing through directors' registry, advertisements or engaging professional recruitment firm/agency;
- (c) Establish and implement processes for the conduct of the fit and proper assessment prior to the nomination of any candidate to be appointed as Director in accordance with the Directors' Fit and Proper Policy;
- (d) Assess and recommend to the Board, Directors to fill the seats on Board Committees.
- (e) Review annually, the term of office and performance of the Board Committees and each of their members to determine whether the Board Committees and members have carried out their duties in accordance with their respective Terms of Reference;
- (f) Undertake an annual review of the required mix of skills, experience and diversity (including gender diversity) and other qualities of Directors, including core competencies which Non-Executive Directors should bring to the Board and to disclose this forthwith in every Annual Report;

- (g) Assist the Board to introduce a criteria and to formulate and implement a procedure to be carried out by the NC annually for assessing the effectiveness and performance of the Board as a whole, the Board Committees and for assessing the contributions and performance of each individual Director, including Non-Executive Director and Executive Director taking into consideration his/her character, competence, experience and time commitment;
- (h) Conduct the fit and proper assessment prior to making recommendation for the re-election of an existing Director who is retiring by rotation and newly appointed Directors who shall hold office only until the next Annual General Meeting following his/her appointment in accordance with the Company's Constitution;
- (i) Review and recommend to the Board, the outcome of the annual assessment and ensure that the process carried out in the evaluation and assessment be properly documented.
- (j) Conduct assessment of the Independent Non-Executive Directors who have served the Board for a cumulative term of more than nine (9) years, but not more than twelve (12) years as an Independent Non-Executive Director for shareholders' approval at the Annual General Meeting through a two-tier voting process and to justify the recommendation in retaining the Independent Non-Executive Directors;
- (k) Review the induction and training needs of Directors to ensure they keep abreast with the developments in the industry, regulatory changes and to facilitate Board induction and training programme;
- (l) To report to the Board on Board and senior management succession planning;
- (m) Review the attendance of the Directors at Board and/or Board Committee(s) meetings; and
- (n) Consider and examine such other matters as the NC considers appropriate or prescribed by the Board.

15. Review of Written Terms of Reference

Any amendments to this Terms of Reference of the NC shall be approved by the Board. These Terms of Reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the NC's responsibilities.

The written Terms of Reference will be made to public on the Company's website.

APPENDIX II
ECOBUILT HOLDINGS BERHAD
200301033338 (635759-U)

REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. Composition

The members, including the Chairman, of the Remuneration Committee ("RC") shall be appointed by the Board of Directors ("Board"). Its members shall comprise exclusively or majority of Non-Executive Directors and shall consist of not less than two (2) members.

In the event of any vacancy in the RC resulting in the non-compliance of the above, the vacancy shall be filled within three (3) months thereof. Therefore, a member of the RC who wishes to retire or resign should provide sufficient written notice to the Company so that a replacement may be appointed before the Director leaves.

2. Chairman

The Chairman of the RC shall be appointed by the Board and shall be an Independent Non-Executive Director.

In the absence of the Chairman of the RC in a meeting or if he/she is not present at any RC meeting within fifteen (15) minutes of the time appointed for holding the same, the other members of the RC present shall elect one (1) of their numbers who shall be an Independent Non-Executive Director to chair the meeting.

3. Secretary

The Company Secretary or other appropriate senior official shall be the Secretary to the RC.

4. Frequency of Meetings

The RC shall meet at least annually or at such other frequency as the Chairman may determine.

5. Notice of Meetings

Except in the case of an emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the member either personally or by fax or e-mail or by post or by courier to his registered address as appearing in the Register of Directors, as the case may be.

6. Quorum of Meetings

A minimum of two (2) RC members present in person shall constitute the quorum, majority of members present must be Independent Non-Executive Directors.

7. Attendance

Participants may be invited by the RC from time to time to attend the meetings depending on the nature of the subject under review.

8. Meeting Mode

The RC meeting may be held at two (2) or more venues within or outside Malaysia using any technology that enable the RC members as whole to participate for the entire duration of the meeting. The technology to be used for the purpose of this paragraph must be such that each RC member taking part in the meeting must be able to communicate simultaneously with each of the other RC members taking part in the meeting and may include telephone, television, video conferencing or any other audio and/or visual device which permits instantaneous communication.

A virtual meeting shall be deemed to constitute an RC meeting provided that the following are met:-

- (v) all the RC members for the time being entitled to receive notice of the RC meeting shall be entitled to receive notice of a virtual meeting. Notice of any such meeting shall be given by an appropriate form of technology (or in such other manner) as may be permitted under the Constitution of the Company; and
- (vi) an RC members shall not leave the meeting by disconnecting from the technology used unless he/she has notified the Chairman of the meeting of his/her intention to leave the meeting and a Director shall be presumed to have been present and to have formed part of the quorum at all times during such a meeting until such notified time of his/her leaving the meeting.

The main venue of the RC meeting shall be the place where the Chairman is present.

9. Written Resolution

A resolution in writing signed by a majority of the RC members for the time being shall be as valid and effectual as if it had been passed at a meeting of the RC duly called and constituted.

The resolution may consist of several documents in like form, each signed by one (1) or more RC members. Such document may be accepted as sufficiently signed by a RC member if it is transmitted to the Company by facsimile or other electrical or digital written message, which include a signature of the said RC member.

10. Voting

Question arising at any meeting of RC shall be decided by a majority of votes of members present. In the case of an equality of votes, the Chairman of the RC meeting shall have a second or casting vote. The Chairman shall not have a second or casting vote when only two (2) members (one of whom is the Chairman) form a quorum or when only two (2) members are competent to vote on the question at issue.

11. Reporting

The RC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each RC meeting.

12. Minutes

Minutes of each RC meeting shall be signed by the Chairman of the meeting at which the proceedings were held and kept as part of the statutory record of the Company upon confirmation by the Board and a copy shall be distributed to each member of the RC.

13. Authority

The RC shall in accordance with the procedure determined by the Board and at the cost of the Company:-

- (iv) have explicit authority to investigate any matter within its Terms of Reference;
- (v) have the resources which are required to performs its duties as set out in these Terms of Reference or any statute or laws; and
- (vi) be able to obtain independent/ external professional or other advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

All the recommendations of the RC are subject to the approval of the Board of the Company.

14. Duties and Responsibilities

The duties and responsivities of the RC shall include the following:-

- (a) Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of individual directors and senior management;

- (b) To structure the component parts of the Executive Directors' remuneration so as to link rewards to corporate and individual performance; whereas, in the case of Non-Executive Directors, the level of remuneration should reflect the experience and level of responsibilities undertaken by the particular Non-Executive Director concerned;
- (c) Ensure the levels of remuneration are sufficient to attract and retain the Directors needed to run the Company successfully. The determination of remuneration packages of Non-Executive Directors, including Non-Executive Chairman is a matter for the Board as a whole. The individuals concerned shall abstain from discussion of their own remuneration; and
- (d) Consider and examine such other matters as the RC considers appropriate or prescribed by the Board.

15. Review of Written Terms of References

Any amendments to this Terms of Reference of the RC shall be approved by the Board. These Terms of Reference will be reviewed and updated periodically in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the RC's responsibilities.

The written Terms of Reference will be made to public on the Company's website.

APPENDIX IV
ECOBUILT HOLDINGS BERHAD
200301033338 (635759-U)

OPTION COMMITTEE

TERMS OF REFERENCE

1. Composition

The members, including the Chairman, of the Option Committee shall be appointed by the Board. Its members shall consist of not less than 2 members.

2. Quorum of Meetings

A minimum of two (2) Option Committee members present in person shall constitute the quorum.

3. Frequency of Meetings **

The Option Committee shall meet at least annually or at such other frequency as the Chairman may determine.

4. Others **

Except in the case of any emergency, reasonable notice of every meeting shall be given in writing and the notice of each meeting shall be served to the Option Committee personally or by sending it via fax or by email or through post or by courier.

Participants may be invited by the Option Committee from time to time to attend the meetings depending on the nature of the subject under review.

The Company Secretary or any other person whom the Option Committee deem fit shall act as the Secretary of the Committee and shall be responsible for sending out notices of meetings and preparing and keeping the minutes of meetings.

5. Functions of the Option Committee

The Option Committee should:-

- a. assist the Board of Directors in discharging its responsibilities relating to the implementation of the ESOS in accordance with the relevant laws and regulations including the By-Law; and
- b. carry out functions relating to the Scheme assigned by the Board of the Company.

6. Variation

The above Terms of Reference may be determined and/or varied by the Company's Board of Directors at any time and from time to time.