



**PERDANA PETROLEUM BERHAD**  
Registration No. 199501042909 (372113-A)

**POLICY STATEMENT**

**ON**

**BOARD CHARTER**

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| <b>PERDANA PETROLEUM BERHAD</b><br>Registration No. 199501042909 (372113-A)<br><b>BOARD CHARTER</b> | <b>Effective Date</b> | <b>10 April 2014</b>     |
|   | <b>Revision No.</b>   | <b>4</b>                 |
|   | <b>Revision Date</b>  | <b>17 September 2021</b> |

## **PART 1: DEFINITION**

The following definitions shall apply throughout this Charter unless the context requires otherwise:

|                          |   |  |
|--------------------------|---|--|
| “Act”                    | : | Companies Act 2016, as amended from time to time and includes any re-enactment thereof |
| “Board”                  | : | Board of Directors of the Company  |
| “Business”               | : | business of the Company  |
| “Chairman”               | : | Chairman of the Board and is used in a gender-neutral sense                            |
| “Company”                | : | PERDANA PETROLEUM BERHAD (Registration No. 199501042909 (372113-A))                    |
| “Company Goals”          | : | Goals of the Company as set out in Part 2  |
| “Directors”              | : | Directors of the Company   |
| “ED”                     | : | Executive Director of the Company  |
| “Group”                  | : | PERDANA PETROLEUM BERHAD and each of its subsidiaries                                  |
| “Management”             | : | Management personnel of the Company  |
| “Management Limitations” | : | Limitations on the actions of Management as set out in paragraph 5.3                   |
| “MD”                     | : | Managing Director of the Company   |
| “Secretary”              | : | Board secretary or the person normally exercising the functions of a Board secretary   |
| “Shareholders”           | : | Shareholders of the Company  |

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## **PART 2: INTRODUCTION, COMPANY GOALS AND OBJECTIVES**

### **2.1 Introduction**

This Charter applies to all members of the Board and senior Management of the Company and, *mutatis mutandis*, to the Group.

The Charter sets out a framework to assist the Board to provide strategic guidance to the Company and effective oversight of its Management, for the benefits of Shareholders and other stakeholders. The framework adopts principles of good corporate governance and is designed to maximize the Company's compliance with best practice requirements. It also outlines the manner in which the Board discharges its responsibilities in pursuit of the Company Goals and objectives.

### **2.2 Company Goals and Objectives**

2.2.1 The Company's vision is to be the leading and preferred offshore marine operator for the upstream oil and gas industry in the region. It is to excel as a highly efficient and profitable company through the following core values:

- To commit to excel in every aspect of the operation in pursuit of total customer satisfaction in the Greenfield and Brownfield charter services;
- To endeavor to create a challenging and rewarding career environment encouraging the employees to realize their optimum potential;
- To develop and establish strategic collaborations and a reliable and mutually beneficial relationship with the business partners and associates;
- To strive to be a caring and responsible corporate citizen; and
- To assure equitable return to the Shareholders.

2.2.2 The capital and resources of the Company will be allocated to those assets and activities, which will enable it to achieve the Company Goals in a manner best serving the interests of the Shareholders as a whole.

## **PART 3: BOARD GOVERNANCE PROCESS**

### **3.1 Role of the Board**

3.1.1 The role of the Board is to provide strategic guidance to the Company and effective oversight of its Management, for the benefits of Shareholders and other stakeholders.

3.1.2 In performing its role, the Board should act at all times:

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- (a) in accordance with its overriding responsibility to act honestly and fairly and in accordance with the applicable law, in serving the interests of the Company's Shareholders, as well as its employees, customers and the community;
- (b) in a manner designed to create and build sustainable value in the Company for Shareholders;
- (c) in accordance with the duties and obligations imposed upon it by the constitution of the Company and by law; and
- (d) with integrity and objectivity, and in accordance with the ethical and other standards set out in the Company's policies and codes of conduct.

3.1.3 In the normal course of events, day to day management of the Company will be in the hands of Management and under the stewardship of the MD.

3.1.4 The Board will satisfy itself that the Company is achieving the Company Goals.

## **3.2 Duties and Responsibilities of the Board**

3.2.1 The Board is responsible to direct, and supervise the management of, the Business and affairs of the Company. The responsibilities of the Board include the following:

- (a) ensuring that the Company Goals are clearly established, and that strategies are in place for achieving them;
- (b) establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build the business through innovation, initiative, and the development of its business capital;
- (c) input into and final approval of major corporate strategy and annual budget;
- (d) monitoring corporate performance and implementation of strategy and policy;
- (e) approving and monitoring the progress of major capital expenditure, capital management and acquisitions/divestments;
- (f) monitoring the performance of senior Management and implementation of strategy and policies, including assessing whether appropriate resources are available;
- (g) appointing the MD and ED, setting the terms of the MD's and ED's employment contract and, where necessary, terminating the MD's and ED's employment with the Company;
- (h) monitoring compliance with regulatory requirements and ethical standards;

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- (i) reviewing and ratifying systems of risk management and internal compliance controls, code of conducts, continuous disclosure, legal compliance and other significant policies;
- (j) ensuring that succession planning of the Senior Management are in place;
- (k) ensuring that the Company's financial statements are true and fair and conform with the relevant standards, rules and regulations;
- (l) ensuring that the Company adheres to high standards of ethics and corporate behaviour;
- (m) deciding on whatever steps are necessary to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;
- (n) monitoring Board composition, processes and performance;
- (o) establishment of Board Committees, their membership and delegated authorities;
- (p) approving and monitoring financial and other major reporting to the market, shareholders, employees and other stakeholders;
- (q) appointment, reappointment or replacement of the external auditors; and
- (r) performing such other functions as are prescribed by law or are assigned to the Board.

### **3.3 Conduct of the Board**

Each Director will ensure that no decision or action is taken that has the effect of placing his or her interest in priority to the interests of the Company.

Directors commit to the collective, group decision making process of the Board. Directors will debate issues openly and constructively and be free to question or challenge the opinions presented at meetings where their judgment differs from other Directors or Management.

In discharging his/her duties, each Director must:

- a) exercise care and diligence;
- b) act in good faith and in the best interests of the Company;
- c) not improperly use his/her position or misuse information of the Company; and
- d) commit the time necessary to discharge effectively his/her role as a Director.

A Director shall not be present during, or participate in discussions or voting on matters put before the Board in which he/she may have a material personal interest unless the other members of the Board otherwise decide.

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### **3.4 Board Procedures**

- 3.4.1 The conduct of Directors will be consistent with their duties and responsibilities to the Company and, indirectly, to Shareholders. The Board will be disciplined in carrying out its role, with the emphasis on strategic issues and policy. Directors will always act within any limitations imposed by the Board on its activities.
- 3.4.2 Directors will use their best endeavours to attend Board meetings. Directors are expected to participate fully and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board. Directors unable to attend a meeting will advise the Chairman at an earlier date as possible and confirm in writing to the Secretary.
- 3.4.3 Board discussions will be open and constructive, recognizing that genuinely held differences of opinion could bring greater clarity and lead to better decisions. The Chairman will, nevertheless, seek a consensus in the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal or regulatory requirements, the Board will decide the manner and timing of the publication of its decisions.
- 3.4.4 MD and ED shall attend Board meetings to discharge their Board responsibilities. At Board meetings, Board responsibilities supersede all responsibilities of MD and ED.
- 3.4.5 The Board has sole authority over its agenda and exercises this through the Chairman. Any Director may, through the Chairman, request the addition of an item to the agenda. The Chairman in consultation with the MD and/or ED and the Secretary will set the agenda.
- 3.4.6 The Board will normally hold meetings at least four times in each financial year and will hold additional meetings as the situation requires.
- 3.4.7 Directors are entitled to have access, at all reasonable times, to all relevant company information and to Management.
- 3.4.8 Directors are expected to strictly observe confidentiality of company information.
- 3.4.9 In making policy, the Board will not reach specific decisions unless it has considered the more general principles upon which they are founded, and in reaching other specific decisions, the Board will consider the policies against which the decisions are made.
- 3.4.10 The Board shall have access to the Management and employees of the Company in discharging its duties and responsibilities in connection with any meeting of the Board or any of the Board Committees. The Board may invite Management, employees or any other person to attend meetings of the Board or of any Board Committees to assist in the discussion and examination of the matters under consideration by the Board or Board Committees.

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### **3.5 Chairman of the Board**

- 3.5.1 The Board will appoint a Chairman from among the Directors. The Chairman may be an executive or non-executive Director.
- 3.5.2 The position of Chairman of the Board and MD shall not be held by a single person. Clear separation of roles will promote constructive debate and discussion at the Board's level. Combining the two positions may render biasness and impair the ability and willingness of Independent Directors to exercise their independent judgment.
- 3.5.3 The Chairman is responsible for representing the Board to Shareholders.
- 3.5.4 The Chairman is responsible for ensuring the integrity and effectiveness of the governance process of the Board as set out in this Part 3.
- 3.5.5 The Chairman is responsible for maintaining regular dialogue with the MD over all operational matters and will consult with the remainder of the Board promptly over any matter that gives him cause for major concern.
- 3.5.6 The Chairman will act as facilitator at meetings of the Board to ensure that no Directors, whether executive or non-executive, dominates discussion, that appropriate discussion takes place and that relevant opinion among Directors is forthcoming.

### **3.6 Board Composition**

- 3.6.1 The Board should comprise a minimum of one third (1/3) of independent non-executive Directors and to support the objective and independent deliberation reviewed and decision making, whenever possible, the Board should comprise a majority Independent Director. The members of the Board will have an appropriate and broad range of qualifications and expertise.
- 3.6.2 Non-Executive Directors will be active in areas which enable them to relate to the strategies of the Company and to make a meaningful contribution to the Board's deliberations.
- 3.6.3 The Board only considers Directors to be independent where they are independent of management and free from any business or other relationship that could materially interfere with the exercise of their unfettered and independent judgement.
- 3.6.4 The composition of the Board will reflect the duties and responsibilities it is to discharge and perform as representative of the interests of Shareholders, and in setting the Company's strategy and seeing that it is implemented. The Board should include a number of Directors which fairly reflects the investment in the Company by Shareholders other than the significant Shareholders.

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- 3.6.5 Generally, the qualifications for Board membership are the ability and intelligence to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of Shareholder value, the ability to see the wider picture, the ability to ask the hard questions, preferably some experience in the industry sector, high ethical standards, sound practical sense, and a total commitment to furthering the interests of Shareholders and the achievement of the Company Goals.
- 3.6.6 Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the next annual general meeting of the Company but shall be eligible for re-election.
- 3.6.7 Directors shall retire from office at least once every three (3) years but shall be eligible for re-election.

### **3.7 Board Committees**

- 3.7.1 Board committees are established to assist the Board in exercising its authority. Board committees will only speak or act for the Board when so authorised.
- 3.7.2 Board committees will be formed only when it is efficient or necessary to facilitate efficient decision-making.
- 3.7.3 Each Board committee shall have their respective approved Terms of Reference.
- 3.7.4 Each Board committee will have access to sufficient resources to carry out their activities effectively.
- 3.7.5 Board committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise.
- 3.7.6 Each Board committee will assist the Board by focusing on the respective activities in accordance to the approved Terms of Reference, reporting to the Board on decisions, actions taken or making any necessary recommendations to the Board.

### **3.8 Board Nomination and Election Process**

- 3.8.1 The Nomination Committee will review the composition of the continuing members of the Board and Board committee annually and make recommendation(s) to the Board for new any appointment to the Board or Board committees when necessary. The Board then determines whether or not to approve the recommendation of the new appointment.



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3.8.2 The criteria used in assessment of new Directors before appointment to the Board shall include but not limited to:

- Skills and competency
- Knowledge and expertise
- Regional and industry experience
- Academic and professional qualifications
- Background, race, gender, age and nationality
- High personal and professional ethics, integrity and values
- Ability to devote the required amount of time to carry out the duties and responsibilities of Board membership
- Financial capability and business stability to devote significant time, energy and resources
- Other directorship

### **3.9 Board and Member Evaluations**

3.9.1 The Board will review the size and composition of the Board at least annually. The Board or via the Board committee, will also assess the Board's performance, at least annually, in order to confirm that its processes and procedures remain adequate to ensure that it is carrying out its functions as effectively as possible.

3.9.2 Individual Director will be evaluated by a process whereby the Board determines questions to be asked of each Director about him or herself and about each other including the Chairman and the responses are collected and collated by the Chairman who then discusses the results with each Director. The Chairman's own position is discussed with the rest of the Board.

3.9.3 Independent Directors will be assessed by the Board annually to ensure he or she can continue to bring independence and objective judgement to the Board deliberations.

### **3.10 Other Board Appointment**

Any Director is, while holding office, at liberty to accept other Board appointments so long as the appointment is not in conflict with the business and does not affect his performance as a Director.

### **3.11 Independent Professional Advice**

3.11.1 Any Director is entitled to obtain independent professional advice relating to the affairs of the Company or to his or her other responsibilities as a Director.

3.11.2 If a Director considers such advice is necessary he shall first discuss it with the Chairman and, having done so, shall be free to proceed.

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

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### **3.12 Provision of Business or Professional Services by Directors**

3.12.1 Generally, Directors shall not provide business or professional services of an ongoing nature to the Company.

3.12.2 Notwithstanding the general rule, the Company is at liberty to:

- for the purpose of a special assignment, engage the services of any Director having special expertise in the particular field; or
- engage the services of a party related to a Director's of an organization;

so long as the terms of engagement are competitive, are clearly recorded and all legal requirements for disclosure of the engagement are properly observed.

### **3.13 Board Succession Planning**

3.13.1 The Board shall review its succession plans by assessing the Board composition which include information on board members, length of service, re-election, membership of Board committee and other directorships held by the individual Director which give the Board a clear picture of upcoming vacancies which will need to be filled.

3.13.2 Individual Directors will indicate their willingness whether to serve an additional term on the Board, if re-nominated, during the annual Directors' self-evaluation.

### **3.14 The Secretary**

3.13.3 The appointment and removal of the Secretary shall be a matter of the Board as a whole.

3.13.4 The Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.

3.13.5 All Directors, particularly the Chairman, have access to the advice and services of the Secretary for the purposes of the Board's affairs and the Business.

## **PART 4: STAKEHOLDERS MANAGEMENT**

The Board will ensure that the Company puts in place and review as required, a comprehensive communication policy to address how the Company:

- (a) Interacts with Shareholders, other stakeholders, public, media, government bodies and authorities; and
- (b) Complies with its continuous and timely disclosure requirements.

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The Board will use its best endeavors to familiarize itself with issues of concern to Shareholders.

The Board will regularly evaluate economic, political, social and legal issues and any other relevant external matters that may influence or affect the development of the Business or the interests of Shareholders and, if thought appropriate, will take outside expert advice on these matters.

## **PART 5: BOARD-MANAGEMENT RELATIONSHIP**

**5.1** The MD, assisted by his fellow EDs, 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 manage the daily operations of the Company.

### **5.2 Role of MD and EDs**

Generally, the MD, assisted by his EDs as the case may be, is responsible to the Board for the following:-

- 5.2.1 assuring that the Group's corporate identity, products and services are of high standards and reflective of the market environment;
- 5.2.2 achievement of agreed Company's goals and observance of Management's performance and authorities delegated by the Board;
- 5.2.3 developing and implementing long-term strategic and short-term business plans to enable the Company to achieve growth, profitability and return on capital subject to the Board's review and adoption;
- 5.2.4 assuming full accountability to the Board for all aspects of the Company's operation and performance;
- 5.2.5 provide strong leadership and ensure the business objectives, strategies and policies are communicated across all levels in the Company;
- 5.2.6 providing assistance to members of the Board and the Board Committees, as required, in discharging their duties;
- 5.2.7 assisting the Chairman in organising information necessary for the Board to deal with the agenda and for providing such information to Directors on a timely basis;
- 5.2.8 ensuring organisational structure and systems are in place to develop talent and succession planning for Senior Management; and
- 5.2.9 Only decisions of the Board acting as a body are binding on the MD. Decisions or instructions of individual Directors, officers or committees are not binding except in those instances where specific authorization is given by the Board.

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### **5.3 Accountability of MD and ED to Board**

The MD and ED, in association with the Chairman, is accountable to the Board for the achievement of the Company Goals and the MD and ED are accountable for the observance of the Management Limitations.

### **5.4 Management Limitations**

- a) The MD is expected to act within all specific authorities delegated to him by the Board.
- b) The MD is expected not to cause or permit any practice, activity or decision that is contrary to commonly accepted good business practice or professional ethics.
- c) In allocating the capital and resources of the Company, the MD is expected to adhere to the Company Goals.
- d) The MD is expected not to cause or permit any action without taking into account the health, safety, environment and political consequences and their effect on long-term shareholder value.
- e) The MD is expected not to cause or permit any action that is likely to result in the Company becoming financially embarrassed.
- f) The assets of the Company are expected to be adequately maintained and protected, and not unnecessarily placed at risk. In particular, the Company must be operated with a comprehensive system of internal control, and assets of funds must not be received, processed or disbursed without controls that, as a minimum, are sufficient to meet standards acceptable to the Company's external auditors.
- g) The MD is expected not to permit employees and other parties working for the Company to be subjected to treatment or conditions that are undignified, inequitable, unfair or unsafe.
- h) The MD is expected not to cause or permit payments to be made or rewards given unless they are in return for contributions towards the purposes of the Business and are proportional to the extent that the contribution in question has furthered such purposes.

### **5.5 Role of Chairman**

5.5.1 The Chairman is principally responsible for the working of the Board which include: -

- Providing overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions.
- Participating in the selection of Board members and ensuring that the membership is properly balanced.

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- Chairing meetings of the Board in such a manner that will stimulate debate on the issues before the Board and encourage the most effective contribution from each Director. The Chairman should ensure that the agenda and all necessary background paper are given to Directors in sufficient time to enable the papers to be adequately considered before the meeting.
- Reviewing the minutes of meetings of the Board before meeting, to ensure they accurately reflect the Board's deliberations, and matters arising from the minutes and on which further action is required have been addressed.
- Monitoring Board performance as a whole.
- Ensuring membership of the Board is appropriately skilled to meet the needs of the Company.
- Assisting in Board discussions to address the key issues facing the Company.
- Initiating the establishment of Board Committees and ensuring that they achieve their objectives.
- Guiding and promoting the ongoing efficacy and development of the Board and its individual Directors.
- Fastening high corporate governance.

5.5.2 The Chairman acts as an informal link between the Board and Management and particularly between the Board and the MD. No company is likely to run effectively and efficiently unless there is a good working relationship between the Chairman and the MD.

The Chairman, along with all other Directors, should recognize that the MD is the leader of the Company in all matters of Management and should not expect to become involved in the Company's day-to-day operations. It is the MD's responsibility to report to the Board as a whole and not just to the Chairman.

The Chairman expects to be kept informed by the MD of all important matters and makes himself available to the MD:–

- to be part of the control mechanism in ensuring that the MD's decisions are properly considered and sound;
- to give assistance and advice when needed especially on sensitive matters which the MD feels unable to discuss with other executives;
- to ensure that the MD understands properly and performs his side of the relationship; and
- to oversee Management establishes adequate control mechanism to cover compliance responsibilities and risk management.

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5.5.3 The Board communicates with Shareholders at Shareholders' meetings and through the distribution of its annual reports. The Chairman normally chairs these meetings where he will use this as an opportunity to inform Shareholders of the Company's affair including its performance.

This role calls for special skills and personal qualities that allow and encourage shareholders to have their say while remaining relevant to the matter at issue, and the Chairman must also have capability to summarize and unify thoughts and ideas and in control of the meeting.

5.5.4 The Chairman also leads the role in presenting the Company's cause, whether formally or informally, with the authorities, institutional or potential investors and those having influence on the environment in which the Company operates.

## 5.6 Roles of Non-Executive Directors

The roles of Non-Executive Directors largely encompass the monitoring of Company performance and contributing to the development of Company strategy, clarified as follows:-

- a) **Strategy:** Constructively challenge and contribute to the development of Company strategy;
- b) **Performance:** Scrutinise the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance; and
- c) **Risk:** Satisfy themselves that the financial information presented is accurate and that financial controls as well as systems of risk management are robust and defensible.

## 5.7 Roles of Independent Directors

- a) Independent Director is an individual who:-
  - has declared his independence vide Declaration of Independency to the Bursa Malaysia; and
  - is approved by Shareholders in a general meeting to be retained as an Independent Director where he has served in that position for more than nine (9) years.
- b) The roles of Independent Directors broadly include the following:-
  - to ensure there is a proper check and balance on the Board by providing unbiased and independent views in Board deliberations and decision making of the Board, taking into consideration the interest of all shareholders, not only the interests of a particular function or group, but also the minority shareholders;
  - to improve corporate credibility and governance standards, functioning as a watchdog, and make significant contributions to the Company's decision making by bringing in the quality of detached impartiality; and

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- to make independent assessment of information, reports or statements when the interests of Management, Company and/or Shareholders diverge, such as executive performance and remuneration, related party transactions and audit matters.

## **PART 6: DIRECTORS' CODE OF CONDUCT AND ETHICS**

- 6.1 The Board of Directors shall maintain the Company's reputation based on the highest standards of conduct in all business endeavors and the Directors have a responsibility to lead by example, acting with truth, sincerity and fairness in all decisions.
- 6.2 This Code describes the standards of business conduct and ethical behaviour for Directors in the performance and exercise of their responsibilities as Directors of the Corporation or when representing the Company.
- 6.3 The principles set forth herein describe how Directors should conduct themselves and each Director is expected to comply with the letter and spirit of this Code which serve as a source of guiding principles for Directors. This Code does not address every expectation or condition regarding proper and ethical business conduct, nor can it anticipate every situation that may arise. Accordingly, Directors are encouraged to bring questions about particular circumstances that may be relevant to one or more of the provisions of this Code to the attention of the Chairman of the Board of Directors, who may consult with inside or outside legal counsel as appropriate.

### **Relationship with Shareholders, Employees, Creditors and Customers**

- 6.4 The Board will use its best endeavors to familiarize itself with issues of concern to Shareholders, employees, creditors and customers of the Company.
- 6.5 The Board will regularly evaluate issues and any other relevant external matters that may influence or affect the development of the Business or the interests of Shareholders employees, creditors and customers of the Company and, if thought appropriate, will seek outside advice on these matters.

### **Conflict of Interest**

- 6.6 Directors must avoid any conflicts of interest with the Company. A "conflict of interest" occurs when a Director's private interest interferes in any way with the interests of the Company as a whole. In addition to avoiding conflicts of interest, Directors should also avoid even the appearance of a conflict. If a Director believes he or she has an actual or potential conflict of interest with the Company, the Director shall notify the Chairman of the Company as promptly as practicable and shall in any event not participate in any decision by the Board of Directors of the Company that in any way relates to the matter that gives rise to the conflict of interest.

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## **Corporate Opportunities**

- 6.7 Directors owe a duty to the Company to advance its legitimate interests and are prohibited from:
- (a) taking for themselves opportunities that are discovered through the use of corporate property, information or position;
  - (b) using corporate property, information or position for personal gain, and
  - (c) competing with the Company for business opportunities.

## **Confidentiality**

- 6.8 Whilst Directors may have access to confidential information of the Company, each Director, during his or her term of office, and after leaving the Board, must maintain the confidentiality of information entrusted to him or her by the Company and any other confidential information about the Company that comes to him or her, from whatever source, in his or her capacity as a Director, except to those people who have an appropriate reason to have access to the information.
- 6.9 In the cases where disclosure of information is appropriate or necessary, the Company has developed policies and procedures that are reasonably designed to provide broad non-exclusionary distribution of such information to the public.
- 6.10 For purposes of this Code, “confidential information” includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed.

## **Compliance with Laws, Rules and Regulations**

- 6.11 Directors shall comply with laws, rules and regulations applicable to them as Directors of the Company.

## **Fair Dealing**

- 6.12 The Company’s reputation for ethical behaviour is critical to its success. Directors must observe the highest ethical standards and act with integrity and honesty to promote an environment that encourages the Company’s officers and employees to sustain and enhance the Company’s reputation and treat each other as well as customers, suppliers, and competitors with fairness and respect.
- 6.13 Directors shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

## **Use of Company Assets**

- 6.14 Directors are responsible for overseeing the Company’s policies and practices to ensure that the Company assets are used only for legitimate business purposes.
- 6.15 Directors shall not use the Company assets for their personal benefit or gain.



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## **Compliance Procedures**

6.16 Directors should communicate any suspected violations of this Code (and any concerns regarding accounting or auditing matters) promptly to the Chairman of the Audit Committee. Violations will be investigated by the Board or by persons designated by the Board, and appropriate action will be taken in the event of any violations of the Code. Directors may not be retaliated against for reporting actual or suspected violations of the Code in good faith. Suspected retaliation should be reported to the Chairman of the Audit Committee.

## **Implementation and Oversight**

6.17 The Board is ultimately responsible for the implementation of this Code and designates the Audit Committee to administer this Code.

6.18 Unless otherwise determined by the Audit Committee, the Chairman of the Audit Committee shall be the point of contact for communicating with the committee.

6.19 The Chairman of the Audit Committee may consult with other members of the Audit Committee, other members of the Board and outside counsel as appropriate.

## **Abuse of Power**

6.20 The abuse of authority/power is the improper use of a position of influence, power of authority by an individual towards other. The Board shall be aware of everyone in the Company is treated with dignity, is valued as a contributor and that abuse of power and gender discrimination are not tolerated.

6.21 The Directors shall report incidents of abuse of power, or if it has reason to believe abuse of power is occurring, to the Chairman or adhere to the Whistle Blower Policy.

## **Corruption and Money Laundering**

6.22 The Board should be aware of the money laundering and financing of terrorism risk associated with all its business products and services and understand the anti-money laundering measures required by law, regulations, guidelines and the industry standards and best practices as well as the importance of implementing anti-money laundering measures to prevent it from being abused by money launderers and financiers of terrorism.

## **Anti-Corruption Compliance Programme**

6.23 The Board is responsible in ensuring a sustainable anti-corruption compliance programme is in place and assigning adequate resources to implement the anti-corruption programme.

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**PART 7: IMPLEMENTATION, REVISION AND UPDATES**

The Board Charter was approved and adopted by the Board effective from 10 April 2014. It is to be reviewed by the Board on an annual basis or as required. Any intervening changes or addition will be by way of circular.

This revised Board Charter was adopted on 17 September 2021 and all revisions-to-date are as per attachment.

Confirmed by,

.....  
Chairman  
Signed for & on behalf of the  
Board of Directors of **Perdana Petroleum Berhad**