



*Excellence in Creation, **TRUST** in Values*

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## BOARD CHARTER

## **SIAB HOLDINGS BERHAD**

Registration No. 202001043548 (1399869-A)

*(Incorporated in Malaysia)*

### **BOARD CHARTER**

#### **INTRODUCTION**

SIAB HOLDINGS BERHAD (“**SIAB**”) was incorporated on 30<sup>th</sup> December 2020 as a private company and subsequently converted into a public company on 24 June 2021.

**SIAB’s** Vision and Mission are as follows: -

#### **VISION**

**WE CARE AS A BUILDER OF INTEGRITY AND PERSEVERANCE, WITH INNOVATIVE AND PROACTIVE ACTION, WE DELIVER!**

#### **MISSION**

Being a Builder of Integrity, we create an excellent and coherent teamwork via our core values and productive organizational infrastructure align with our formulated strategic planning and alliance with vendors, we deliver our commitment in products and services effectively and efficiently to our esteemed clients.

Being a Competent Team, together with our trust in values, we move forward enthusiastically in a safe, healthy and cheerful working environment, encourage creativity and passion for growth, foster mutual respect and caring attitude.

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Being an Accountable Organisation, we dedicate to fulfill in our best endeavour in social responsibilities, environmental consciousness and innovative value engineering whilst balancing the interests of stakeholders.

### **1. Purpose of this Board Charter**

- 1.1. This Charter sets out the functions, roles and responsibilities of the Board of Directors ("Board") of **SIAB** within the Governance Structure of **SIAB** and its subsidiaries ("Group" or "**SIAB** Group") to ensure that the Board's practices are consistent with and reflect the Board's commitment to best practices as prescribed in Corporate Governance.
- 1.2. The Board of **SIAB** has primary responsibilities for the governance and management of the Company and Group including the financial and organizational wellbeing of the Company and Group.
- 1.3. The Charter ensures that the **SIAB** Group has appropriate corporate governance structures aimed at creating and protecting shareholders' value and that all Board members are aware of their duties and responsibilities as Board members.
- 1.4. This Board Charter serves as a reference source and primary induction literature to assist existing members and new members of the Board in the performance of their duties as Directors. It also serves as a reference in the annual assessment of the Board's performance, the performance of its committees, Chairman of Board Committees, Independent Non-Executive Director and of its Individual Directors.

### **2. Composition, Roles and Functions of the Board**

#### **2.1. Composition**

##### **2.1.1. Size of the Board**

In accordance with Clause 75 of the Company's Constitution, until otherwise recommended by the Board and confirmed by the Company in General Meeting, the number of Directors shall not be less than two (2), not more than nine (9), all of whom shall be natural persons.

In compliance with Rule 3.08 and Rule 15.02 of the ACE Market Listing Requirements ("ACE LR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), **SIAB** will ensure that at least two (2) directors or one-third (1/3) of the Board of Directors, whichever is higher, are Independent

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Directors. If the number of directors is not three (3) or multiple of three (3), then the number nearest one-third shall be used for purposes of determining the requisite number of Independent Directors. Further, the Malaysian Code on Corporate Governance ("MCCG") recommends that at least half of the Board comprises Independent Non-Executive Directors.

2.1.2. The size and balance of the Board is determined by the Board with the assistance of a Nominating Committee ("NC") during its review and evaluation carried out annually. The Board of **SIAB** is currently comprised of Seven (7) Directors with an appropriate balance of:

- Three (3) Executive Directors; and
- Three (4) Independent Non-Executive Directors.

The Independent Non-Executive Directors are persons of calibre, credibility and have the necessary skills, competencies, commitment and experience to bring independent judgement to bear on issues of strategy, performance and resources including key appointments and standards of conduct.

The Board shall also consider the existing board positions held by a Director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided. A Director must not hold more than 5 directorships in listed companies.

### 2.2. New Appointment

New appointments to the Board are only made after consultation with the NC. The NC is responsible for assessing the candidate(s) for proposed directorship and proposed Board Committee membership and thereupon submitting their recommendation to the Board for decision.

### 2.3. Separation of Position of Chairman and Managing Director

In line with Practice 1.3 of the MCCG, it is the Board's policy to keep the positions of Chairman and Managing Director distinct and held by separate individuals to ensure a balance of power and authority in the Board. Further, consistent with the Practice 1.4, MCCG, the Chairman of the Board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

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**SIAB's** Board is led by an Independent Non-Executive Chairman and supported by three (3) Executive Directors and three (3) Independent Non-Executive Directors.

The roles of the Chairman of the Board, Managing Director, Executive Director and Independent Non- Executive Directors are clearly defined and set out in this Board Charter. The Chairman's role includes leading the Board in the oversight of management and is not involved in the day to day management of the Group.

All the Independent Directors are independent of Management and have no family or business relationships with the Executive Directors and major shareholders, which would interfere with the execution of their independent judgement.

The Executive Directors are overall responsible for implementing the strategies and decisions of the Board, overseeing the Group's day-to-day operations and businesses, whilst the Independent Non-Executive Directors provide their independent view, unbiased judgement and knowledge to the management as well as safeguarding the interests of the shareholders. Non-Executive Directors do not participate in the day-to-day management of the Group.

### **2.4. Retirement, Re-Election and Re-Appointment**

An election of Directors shall take place each year. At the Annual General Meeting of the Company where one-third (1/3) of the Directors for the time being or if the number is not three (3) or a multiple of three (3) then the number nearest one-third (1/3) shall retire from office provided always that all Directors including a Managing Director shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

### **2.5. Disqualification or Vacation of Office**

The office of a Director shall be vacated:-

- (a) becomes bankrupt and a receiving order in bankruptcy is made against him during his term of office or he makes any arrangement or composition with his creditors;
- (b) resigns his office by giving a written notice to the Company at the Office;

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- (c) has retired in accordance with the Companies Act 2016 ("CA 2016") or the Constitution of the Company but is not re-elected;
- (d) is removed from office in accordance with the CA 2016 or the Constitution of the Company;
- (e) becomes disqualified from being a director under the CA 2016 and the ACE LR;
- (f) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
- (g) dies;
- (h) is absent from more than 50% of the total Board meetings held during a financial year; or
- (i) is convicted by a court of law, whether within Malaysia or elsewhere, of offences in connection with the promotion, formation or management of a corporation; bribery, fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or convicted by a court of law of an offence under the securities laws of Malaysia or the CA 2016.

### **2.6. Chairman**

The Chairman of the Board is an Independent Non-Executive Director and his role and responsibilities is set out under Section 3 of this Charter.

### **2.7. Diversity**

The Board views diversity in the boardroom as an essential factor in ensuring an effective and well functioning Board.

The NC as part of its objectives, will review and oversee that the diversity needs of the Board is sought as part of the Board's selection and recruitment exercise when considering the appointment of new directors taking into consideration the diversity of the Board in terms of gender, nationality, age, ethnicity, cultural and socio-economic background of its directors.

The Board firmly believes that its composition:

- is currently comprised of Directors from a diverse background;
- age ranges from 40 years to 70 years;
- 30% board members are of the female gender; and

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- drawn from different ethnic, cultural and socio-economic background and is sufficiently diverse to ensure that different view point are considered in the decision making process.

### **2.8. Management**

The operational and day-to-day management responsibilities is delegated to the Managing Director assisted by the Executive Directors whose roles and responsibilities are set out under Section 4 of this Charter and assisted by Senior Management Executives.

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### **2.9. Roles and Responsibilities**

2.9.1. The powers and duties of the Directors are as set out in the Constitution of the Company and as prescribed under Sub-division 3 of Division 2 of the CA 2016.

2.9.2. Pursuant to Section 211 of the CA 2016:  
Section 211(1)

The business and affairs of a company shall be managed by, or under the direction of the Board.

Section 211(2)

The Board has all the powers necessary for managing and for directing and supervising the management of the business and affairs of the company subject to any modification, exception or limitation contained in the CA 2016 or in the constitution of the company.

2.9.3. Pursuant to Section 213 of the CA 2016:

Section 213(1)

A director of a company shall at all times exercise his powers in accordance with the CA 2016, for a proper purpose and in good faith in the best interest of the company.

Section 213(2)

A director of a company shall exercise reasonable care, skill and diligence with—

- (a) the knowledge, skill and experience which may reasonably be expected of a director having the same responsibilities; and
- (b) any additional knowledge, skill and experience which the director in fact has.

2.9.4. The Board is primarily responsible for the following:

- (i) To provide leadership and oversee the overall conduct of our Group's businesses to ensure that our businesses are being properly managed;



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- (ii) To review and adopt strategic plans for our Group and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced;
- (iii) To review and adopt corporate governance best practices in relation to risk management, legal and compliance management and internal control systems to safeguard our Group's reputation, and our employees and assets and to ensure compliance with applicable laws and regulations;
- (iv) To ensure that our Company has effective Board committees as required by the applicable laws, regulations, rules, directives and guidelines and as recommended by the MCGG;
- (v) To review and approve our annual business plans, financial statements and annual reports;
- (vi) To monitor the relationship between our Group and our management, shareholders and stakeholders, and to develop and implement an investor relations programme or shareholders' communications policy for our Group; and
- (vii) To appoint our Board committees, to delegate powers to such committees, to review the composition, performance and effectiveness of such committees, and to review the reports prepared by our Board committees and deliberate on the recommendations thereon.

The Board assumes ultimate accountability and responsibility for the stewardship of **SIAB** including those expounded under Guidance 1.1 of the MCGG as well as the Guidelines on Conduct of Directors of Listed Corporations and Their Subsidiaries of the Securities Commission Malaysia ("SC Guidelines") as follows:

- Promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- Review Budget and monitor the implementation by Management;
- Review and approve strategic initiatives including corporate business restructuring or streamlining and strategic alliances, to ensure that they support long-term value creation and take into account economic, environment and social considerations underpinning sustainability;
- Oversee the conduct of the Group's businesses to evaluate and assess management performance to determine whether the businesses are being properly managed;

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- Assess and identify the principal risks of the Group's businesses in recognition that business decisions involve the taking of appropriate risks and ensure there is a sound framework for internal control and risk management;
- Set the risk appetite within which the Board expects Management to operate, and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant business, financial and non-financial as well as corruption risks ;
- Approve the nomination, selection, succession policies, remuneration policy and procedures for the Board and Board Committee members and senior management;
- Approve the appointment, resignation or removal of Company Secretaries;
- Develop and implement "Stakeholder Communications Policy" for the Group;
- Review the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines (including the securities laws, CA 2016 and ACE LR);
- Review and approve the Financial Statements encompassing annual audited accounts and quarterly reports, ensuring the integrity of the Company's financial and non financial reporting and ensuring that all Directors are able to understand financial statements and form a view on the information presented.
- Ensuring the keeping of accounting records and other records to sufficiently explain the business, transactions and financial position of the Group enable the preparation of true and fair financial statements; and enable the accounting and other records of the Group to be conveniently and properly audited.
- Setting the company's sustainability strategies, priorities and targets; taking 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 the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.
- Takes appropriate action to ensure the Directors stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities.
- Ensuring the establishment, periodical review and publishing on the Company's website and together with management implementing policies and procedures on anti-corruption and whistleblowing.

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- Establish policies and procedures to manage potential conflict of interest situations including potential conflict of interest between any Director and the Company; and the Company and its subsidiaries.
- Establish a corporate culture which engenders ethical conduct and behaviour.
- Review and approve the appointment of external auditors and their related audit fees;
- Carry out or perform such other functions necessary for the discharge of its fiduciary duties under the relevant laws, rules and regulations.

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### **2.9.5. Matters reserved for the Board**

The Company has specifically reserved the following matters for decision by the Board:

- Acquisitions of Business/Investments.
- Divestments and Disposals of Business/Investments.
- Overseas Equity Venture.
- Corporate Finance and Proposals.
- Terms of key/main agreements not within the ordinary course of business.
- Acquisition and disposal of Properties (not in the ordinary course of business) and Motor Vehicles.
- Material acquisition of fixed assets.
- Material disposal and write offs of current assets.
- Material expenditure not within the ordinary course of business.
- Bank borrowings and finance arrangements.
- Placements/withdrawal of bank fixed deposits.
- All Related Party Transactions

### **3. Chairman of the Board**

The Chairman is primarily responsible for:

- The leadership of the board and leading the Board in the adoption and implementation of good corporate governance practices in the Company.
- Leading Board meetings and discussions, facilitating the effective contribution of all directors at Board meetings, ensuring that no member dominates discussions and that appropriate discussions and opinions amongst members are forthcoming.
- Representing the Board to shareholders and chairing General Meetings of shareholders.
- The efficient organization and conduct of the Board's functioning, including establishing the agenda for Board meetings in consultation with the Executive Directors, chairing Board meetings and ensuring that the Board behaves in accordance with the Code of Ethics for Directors and Executives.
- Ensuring the Board's decisions have been implemented.
- Ensuring that the directors receive accurate, timely and clear information in a form and of a quality appropriate to enable it to discharge their duties. All directors are

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entitled to request additional information where they consider such information necessary to make informed decisions.

- Ensuring that new directors receive a full, formal and tailored induction on joining the Board. The letter of appointment should set out the director's expected time commitment.
- Ensuring that the directors continually update their skills, knowledge and familiarity with the Company required to fulfill their role both on the Board and on Board's Committees.
- The promotion of constructive and respectful relations between directors, and between the board and management including promoting a culture of openness and debate without any one director dominating the discussion.
- Overseeing that adequate time is available for thorough deliberation of key matters and that decisions are taken on a sound and well informed basis, including the consideration of all strategic and critical issues.
- Ensuring that the views of shareholders are communicated to the Board as a whole, and that governance and strategy issues are discussed with major shareholders.
- Providing guidance and mentoring to the Executive Directors as well as maintaining regular dialogue with the Executive Directors and senior management to ensure he is kept informed of all major issues and matters affecting the Group.
- Providing a proposal to the Remuneration Committee on remuneration of the Executive Directors.
- Developing a Performance Evaluation for Executive Directors and review his or her performance against this Evaluation.
- Reviewing matters of concern to the Group together with the Managing Director.

**4. Managing Director**

- 4.1. The Managing Director ("MD") is appointed by the Board of Directors and is subject to the control of the Board. The MD is responsible for the day to day management of **SIAB** Group with all powers, discretions and delegations authorized from time to time by the Board.
- 4.2. The MD's primary responsibilities include:
  - Overall responsibility over the business units and day to day management of the Group, organisational effectiveness and implementation of Board policies, strategies and decisions.
  - The development (in conjunction with the Board) and implementation of short, medium and long-term corporate strategies for the Group, preparing business plans and reports with senior management and reporting/presenting to the Board on current and future initiatives.

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- Providing leadership, supervision and control in managing a team of executives responsible for all functions contributing to the success of the Group.
- Ensuring that the Group has the appropriate risk management practices and policies in place.
- The assessment of business opportunities which are of potential benefits to the Group.
- Bringing material and other relevant matters to the attention of the Board in an accurate and timely manner.
- Overseeing shareholders' communications.
- Appointing and, where appropriate, removing senior executives, including the Chief Financial Officer and the Company Secretary, with the approval of the Board.
- Evaluating the performance of senior executives.
- Ensures that the objectives and standards of performance are understood by the Management and employees.
- Ensures that the operational planning and control systems are in place.
- Monitoring performance results against plan.
- Taking remedial actions, where necessary.
- Ensures that the Group's Financial Reports are drawn up in accordance with the relevant accounting standards and complies with all requirements of Bursa Securities ACE LR.
- Directing and monitoring all aspects of the business operations in a cost effective manner.
- Effectively oversees the human resources of the Group to ensure that key positions in the Group's management structures, including succession planning and talent retention are adequately addressed.
- Ensures the Group's corporate identity, products and services are of acceptable high standards and reflective of the market environment in which the Group operates in.
- Assists the Chairman in ensuring that accurate quality and timely information flows to the Board for establishing the agenda for Board and Committee meetings.

In discharging their responsibilities, the **MD** can delegate and assign appropriate functions and responsibilities to the senior management personnel while retaining overall control and responsibility.



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### **5. Executive Directors**

- 5.1. The Executive Directors are appointed by the Board of Directors and are subject to the control of the Board.
- 5.2. The Executive Directors primary responsibilities include:
  - Discharge all duties and responsibilities in conformity with policies adopted by the Board, as amended from time to time, and any special duties assigned or delegated by the Board;
  - Collaborate with **MD** to set overall direction and head the Company ensuring that the Company is managed efficiency and effectively maximizing the utilization of resources according to the budgeted plan and support policies, procedures and practice of the Company;
  - Establish policies that promote Company's vision and core values;
  - Coordinate and oversee the daily business operation of the Company especially supporting functions i.e. Finance/Accounts, Costing, Human Resources/Admin and Information Technology through the managers and advise and guide them in the right direction so as to ensure that Company's strategic and business plan is executed;
  - Optimize the Company's performance by providing sound leadership and training to the management and staff of the Company;
  - Strengthen relationship with business partners, customers and government regulatory and other authorities, agencies and others;
  - Devote requisite time and undivided attention to the service of the Company and faithfully and diligently discharge duties which will promote and advance interest of the Company at all times; and
  - Ensure that the welfare of the Company's employees are taken care of and mutual interaction and communication are established between the Management general staff and amongst themselves through activities such as sports, family programmes, recreational and annual dinner get-together.

### **6. Non-Executive Directors**

- 6.1 Non-Executive Directors are members of the Board who are not an employees of the Company. They could be classified as:-
  - Those who have no direct or indirect pecuniary interest in the Company other than their Directors' emoluments and their permitted shareholdings in the Company;

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- Those who are not employees of the Company or affiliated with it in any other way and are not involved in the day-to-day running of business but may have a pecuniary interest in the Company, whether direct or indirect; or
- Those who are not employees of the Company but are standing as nominees for substantial shareholders.

### **6.1 The roles of the Non-Executive Directors include:**

- Act as a bridge between management and stakeholders, particularly shareholders. They could provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied;
- For the Board to create an environment that allows the expression of disagreement when discussing strategic issues; and
- Bring dispassionate objectivity that a Director with a relationship with the Company cannot provide.

## **7. Independent Non-Executive Directors ("INED")**

The INED provide independent judgement, experience and objectivity without being subordinated to operational considerations. Their views should carry significant weight in the Board's decision-making process and help to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

The Board may identify an INED to be the Senior INED and the Senior INED is expected to carry out the following roles and responsibilities:

- Act as a point of contact for shareholders and other stakeholders to address concerns which have failed to be resolved or would not be appropriate through normal channels of the Chairman or Executive Directors.
- Meet or speak to the Chairman regularly or act as a sounding board for the Chairman (e.g. offer counsel to the chairman on matters such as board dynamics and concerns of stakeholders).
- Serve as an intermediary for other directors when necessary (e.g. facilitate confidential discussions with directors who may have concerns which they believe have not been properly considered by the board or which they feel may not be appropriate to raise in open forum or with the chairman directly).
- Provide leadership support and advice to the board in the event that the board is undergoing a period of stress (e.g. conflict between the chairman and Executive Directors or the strategy being followed by the chairman and/or Executive Directors is not supported by the board).



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### **8. Chief Financial Officer**

The Chief Financial Officer is appointed by the Managing Director in consultation with the Board of Directors and is responsible for:

- Financial and human resources management of the Group including the establishment, maintenance and review of financial and administrative internal controls.
- Ensures that the human resource and administrative policies and practices adopted by the Group are in compliance with all statutory regulations and requirements.
- Budget preparation, review and management of the Group.
- Preparation and review of financial information including annual financial statements to facilitate the discharge of the Group's statutory reporting obligations.
- Ensures that the Group's Financial Reports are drawn up in accordance with the relevant accounting standards and complies with all requirements of Bursa Securities ACE LR.
- Provision of advices on the effectiveness of accounting and financial information management systems and financial controls in meeting the Group's requirements.
- Provision of advices concerning the financial implications of and financial risks to the Group's current and projected services.
- Development of strategic options for the Group's future financial management and capability.

### **9. Company Secretary**

The Board is currently supported by two (2) External Company Secretaries, both qualified to act as Company Secretary under Section 235 of the CA 2016. Both the Company Secretaries are Associate Members of the Malaysian Institute of Chartered Secretaries & Administrators.

The Company Secretaries provide the required support to the Board in carrying out its duties and stewardship role, providing the necessary advisory role with regards to the Company's Constitution, Board's policies and procedures as well as compliance with all regulatory requirements, codes, guidance and legislation.

The Company Secretaries assist the Board to:

- Comply with the statutory requirements of the CA 2016, the ACE LR of Bursa Securities, the Capital Market Services Act 2007, and such other relevant legislation within their agreed scope of responsibilities.

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- Prepare for meetings of the Board, shareholders and other stakeholders and advise on matters relating to company secretarial matters relating thereto as and when required.
- Updating and maintaining all statutory registers and books and maintaining record keeping of all important company documents such as the certificate of incorporation, share certificates, meeting minutes, constitutions, etc.

All directors have access to the advices and services of the Company Secretary.

### **10. Board Committees**

The Board delegates certain responsibilities to the various Board Committees with clearly defined terms of reference to assist the Board in discharging its responsibilities.

#### **10.1. Audit and Risk Management Committee ("ARMC")**

The ARMC was established to provide assistance to the Board in relation to fulfillment of the Board's statutory as well as fiduciary responsibilities and ensure that the internal and external audit of the **SIAB** Group are being carried out adequately and effectively. The functions and responsibilities of the ARMC are set out in its Terms of Reference.

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### **10.2. Nominating Committee ("NC")**

The NC was established to provide assistance to the Board in relation to fulfillment of the Board's statutory and fiduciary responsibilities in respect of its nomination responsibilities. The functions and responsibilities of the NC are set out in its Terms of Reference.

### **10.3. Remuneration Committee ("RC")**

The RC was established to provide assistance to the Board in relation to fulfillment of the Board's statutory and fiduciary responsibilities in respect of its remuneration responsibilities. The functions and responsibilities of the RC are set out in its Terms of Reference.

## **11. Independence of Directors**

### **11.1. Definition under Listing Requirement**

The definition of an Independent Director is as set out in Rule 1.01 of Chapter 1 of the ACE LR and further clarified and discussed under Guidance Note 9 issued by Bursa Securities.

**SIAB's** Board does not believe that it is practically possible to list down all the criteria which are appropriate to characterize in all circumstances, the independence of a Director. It is the approach of the Board when considering a Director's Independence to critically assess their independence taking into consideration all relevant factors, including the abovesaid definition and explanations under this Section and that such assessment must be applied with common sense and the Directors themselves are best able to determine if they have an interest or relationship which is likely to impact on their independence.

Each Director is expected to advise the Chairman immediately if he/she believes they may no longer be independent. Should the Chairman or any other Director have any concern about the Independence of a Director, he/she must immediately raise the issue with that Director during a Board Meeting.

Where the independent status of a Director is lost, this is to be disclosed immediately by way of an announcement to Bursa Securities.

### **11.2. Tenure of Independent Directors**

Practice No. 4.2 of the MCCG prescribes that the tenure of an Independent Director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the Board as a non-independent director.

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If the Board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval through a two-tier voting process.

### **12. Access to Information, Independent Advice and Continuing Development**

- 12.1. The Board and Committees have access to all information pertaining to the Company. All Board members have direct access to the advices and services of the Company Secretary.

Board and Committee papers providing accurate and complete information, review and analysis of matters and issues to be considered and deliberated are furnished to all Board/Committee members at the earliest practicable time prior to meetings.

The Executive Directors, senior management personnel and appropriate external advisers/consultants are available to brief, report and advise in meetings of the Board and Board Committees.

- 12.2. Board members are entitled to request and receive any such additional information as they consider necessary to support informed decision making. Any Board member has the authority to seek any information he/she requires from any employee of the **SIAB** Group and all employees must comply with such requests.

Any significant issues raised by a Director are to be communicated to the Chairman or Independent Director.

- 12.3. Any Board member may take such independent legal, financial or other advice as they may consider necessary, at **SIAB's** cost and expense.

Any Director seeking such independent advice must first discuss the request with the Chairman, who must then agree and approve of this course of action and will facilitate obtaining such advice and, where appropriate, disseminate the advice to all Directors.

- 12.4. The Board has the authority to conduct or direct any investigation required to fulfill its responsibilities and has the authority to retain at the Company's expense, such legal, accounting or other services, consultants, advisers or experts as it considers necessary from time to time in the performance of its duties.

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### **13. Procedures for Appointment of Directors**

- 13.1. The Board's procedures for appointments to the Board are viewed as a vital component of the governance process in determining the composition, size, balance competencies and ultimately the quality of the Board.

**SIAB** has a formal and transparent procedure established for the appointment of new Directors to the Board.

The NC is responsible for reviewing, proposing and recommending potential new Directors taking into consideration the current and future needs of the Company.

### **14. Board Meetings**

- 14.1. The Board shall conduct at least four (4) scheduled meetings annually, with additional meetings to be convened as and when necessary.
- 14.2. In accordance with Clause 114, the quorum necessary for the transaction of the business of the Directors shall be two (2) Directors for the time being of the Company.
- 14.3. The notice of a Board meeting with a full agenda and meeting papers are circulated to all Directors in advance of each Board meeting.
- 14.4. Directors are required to prepare for Board meetings, contribute constructively to Board discussions and decision-making, and conduct due inquiry before approving a matter; ensure key transactions or critical decisions are deliberated and decided on by the Board in a meeting; and ensure his decisions and the basis for those decisions, including any dissenting views are made known and properly minuted.
- 14.5. The Minutes shall record the proceedings of Board meetings, pertinent issues, inquiries, responses, suggestions and the decisions made, including whether or not any Director has abstained from voting or deliberating on a particular matter. Minutes of meetings shall be circulated to all members of the Board in a timely manner.

### **15. Induction and Trainings**

- 15.1. The objective of the induction process is to provide Directors with a rapid and clear insight into the Group as well as keeping them abreast with development in

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the market place pertaining to the oversight function of Directors. This will enable the Directors to discharge their duties and responsibilities effectively.

15.2. Induction of Directors may include, but not limited to, the following:

- Furnishing of a copy of the previous board minutes for at least the past six (6) months; the business/strategic plan, pertinent Management reports; profile of key competitors and significant reports by management consultants on areas of board responsibilities;
- Visits to key sites; and
- A formal one (1) to two (2) day induction programme, including the elements above, and also presentations from various divisions on their strengths, weaknesses and ambitions.

15.3. All Directors shall continue to update their knowledge and enhance their skills through appropriate continuing education programmes to enable Directors to effectively discharge their duties and sustain active participation in Board deliberations.

15.4. The Board with the assistance of the NC, shall assess the training needs of the Directors from time to time, to ensure that Directors have access to training courses or seminars at periodic intervals to keep themselves updated on developments pertaining to the oversight function of Directors as well as continuing education programme in order to update their knowledge and skills.

## **16. Evaluation of Board Performance**

The Board through the NC evaluates the performance of the Board as a whole, the Board Committees, the Individual Directors and the Independence of the Independent Directors on an annual basis.

The evaluation criteria and process is in accordance with the procedure that has been established, endorsed and approved by the Board following the recommendation made by the NC.

The Board evaluation process is carried out by way of peer assessment, in the form of evaluation questionnaires completed, reviewed and deliberated by the NC before its findings and recommendations tabled to the Board.

The Evaluation process in respect of the Independence of the Independent Directors is carried out by way of peer assessment in the form of evaluation questionnaires and

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supported by an annual declaration by the respective Independent Director on his/her independence.

The Board's evaluation process also includes the evaluation of the performance of the Chairman of the Board, the Chairman of the ARMC, NC, RC.

The completed evaluation questionnaires are then reviewed and deliberated by the NC before its findings and recommendations tabled to the Board for decision.

The evaluation criteria and process shall be reviewed at least once every three (3) years or as and when there are new regulatory provisions in place to ensure those criteria remain relevant and appropriate.

### **17. Communication with Shareholders and Stakeholders**

- 17.1. The Board ensures there is effective, transparent and regular communication with its stakeholders by undertaking active engagements with the relevant stakeholders to gain a better understanding of the expectations and concerns (if any) of these stakeholders and the Company's impact on them.
- 17.2. The Board ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements made.
- 17.3. The Company regards the Annual General Meeting ("AGM") as an important event and the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from the Company's shareholders. Where necessary, the Company may also convene a general meeting other than the AGM to transact other businesses.
- 17.4. The Chairman ensures that general meetings support meaningful engagement between the Board, senior management and shareholders. The engagement should be interactive and include robust discussion. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful responses.



## **BOARD CHARTER**

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### **18. Corporate Disclosure Policy**

The Board has adopted a Corporate Disclosure Policy which takes into consideration the Guidance set out under Bursa Securities' Corporate Disclosure Guide issued in September 2011.

The Corporate Disclosure Policy aims to strengthen the Board's commitments to good corporate governance and ensure that all stakeholders are provided with comprehensive, accurate and quality information on a timely and even basis.

### **19. Stakeholders Communication Policy**

The Board has adopted a Stakeholders Communication Policy in respect of communicating with its shareholders.

### **20. Code of Conduct and Business Ethics Policy & Whistle Blowing Policy**

The Board has adopted a Code of Conduct and Business Ethics Policy & Whistle Blowing Policy to enhance the standards of Corporate Governance and Behaviour as a guide for the Directors and employees from the Executive level upwards.

### **21. Review**

19.1 This Charter was approved by the Board of **SIAB** on 26 June 2021.

19.2 The Board will review this Charter periodically as and when the need arises to ensure it remains consistent with the Board's objectives and responsibilities and keep it current and relevant at all times.

### **22. Publication/Availability**

A copy of this Charter is available from the Company's website: <https://siabmy.com/>