



SYCAL VENTURES BERHAD

Board Charter

1. Preamble

The Board Charter (“the Charter”) is established to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and management with regard to the role of the Board and its committees with the aim of enshrining the concepts of good corporate governance practices towards transparency, accountability and effective performance for Sycal Ventures Berhad (“SVB” or “the Company”) and its subsidiaries (“the Group”). The Charter incorporates the Principles and Recommendation of the Malaysian Code on Corporate Governance 2012 (“the Code”). The Charter serves as a structured guide and does not overrule the statutory requirements and shall form an integral part of each Director’s duties and responsibilities but it should not be construed as an exhaustive blueprint for Directors of the Company.

2. Interpretation

2.1. In this Charter:

“Board” means the Board of Directors of the Company.

“Bursa Securities” means Bursa Malaysia Securities Berhad.

“Business” means the business of the Group.

“Chairman” means the chairman of the Board and is used in a gender neutral sense.

“Company Secretary” means the Board secretary (ies) or the person(s) normally exercising the functions of a Board secretary.

“Listing Requirements” means the Main Market Listing Requirements of Bursa Securities.

“Management” means the management personnel of the Company.

“CEO” means the Chief Executive Officer of the Company.

“Shareholders” means the shareholders of the Company.

“Independent Director” is defined in accordance to Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

3. Objectives of the Board

The Board is collectively responsible for the stewardship of the Group’s Business with a view to enhancing long-term Shareholders’ value whilst taking into account the interests of other stakeholders.

SYCAL VENTURES BERHAD
Board Charter (cont'd)

4. Role of the Board

- 4.1. The Board has delegated certain responsibilities to committees and the day to day management of the Business of the Group to Management and MD.
- The Audit Committee reviews and assesses the reliability of financial statements;
 - The Remuneration Committee oversees the remuneration package of Directors and Senior Management;
 - The Nomination Committee assist the Board in reviewing on an annual basis the effectiveness of the Board and Board committees (including its size and composition) and of their members.

The Board shall reserve a formal schedule of matters for its decision to ensure that the direction and control of the Group is firmly in its hands.

- 4.2. The principal responsibilities of the Board include the following:

- reviewing and adopting a strategic plan including performance objectives and operating budgets for the Group and ensuring that the strategies promote sustainability;
- reviewing the procedures to identify principal risks and ensuring the implementation of internal controls and mitigation measures;
- set, review and ensure compliance with the Company's principles, values and ethos of the Company;
- succession planning - appointing, assessing, training, fixing the compensation of executive and non-executive Directors and senior management;
- reviewing the adequacy and the integrity of the Group's internal control systems and management information systems;
- ensuring that the Company's financial statements are true and fair and conform with the accounting standards; and
- ensuring that the Company adheres to high standards of ethics and corporate behaviour.

5. Board Structure

5.1. Board Balance and Composition

- 5.1.1. The Board should be of a size and composition that is conducive to effective decision making and comprise a minimum of five (5) and a maximum of nine (9) Directors.

SYCAL VENTURES BERHAD
Board Charter (cont'd)

- 5.1.2. The appointment of a new member is only made after consultation with the Nomination Committee to ensure high levels of professional skills and appropriate personal qualities are pre-requisites for such nominee.
- 5.1.3. The Board decision making process should be independent and objective. At least one-third (1/3) of the Board shall comprise of Independent Directors. The Board will review annually the independence of each non-executive Director.
- 5.1.4. The Board recognises the need for the composition to reflect a range of skill mix, expertise, gender, ethnicity and age diversity. The Board has no specific targets but will select candidates as a Director who will best serve the Company.
- 5.1.5. The Board recognises the need for a balance between executive Directors who possess extensive experience and expertise, and non-executive Directors who are able to bring to the Board a broad range of general commercial expertise and experience.
- 5.1.6. It is the policy of the Board to keep the roles of the Chairman and the MD separate, when applicable.

5.2. Role of the Chairman

- 5.2.1. The Chairman is primarily responsible, amongst others, for the following:
 - leading the Board in the oversight of management including maintaining regular dialogue with MD over operational matters;
 - representing the Board to shareholders and chairing general meeting of shareholders;
 - ensuring the integrity of the governance process and issues;
 - functioning as a facilitator at meetings of the Board to ensure that no member dominates discussion and appropriate discussions takes place; and
 - ensuring that all relevant issues are on the agenda and that all Directors receive the information timely and properly briefed at Board meetings;

5.3. Role of the MD

- 5.3.1. The position of the MD is to ensure the effective implementation of the Group's Business plan and policies established by the Board and for corporate governance, besides managing the daily operations of the Group.
- 5.3.2. Generally, the primary responsibilities of the MD are, amongst others, the following:

SYCAL VENTURES BERHAD

Board Charter

- management of the Group's Business covering developing long-term strategic and short-term profit plans designed to ensure the Group's growth, profitability and return on capital are achieved; and
- achievement of the Group's goals, compliance with government regulations and observance of the Management authorities delegated by the Board.

The MD can delegate appropriate functions to the Executive Directors/General Managers in discharging the above responsibilities.

5.4. Tenure of Directors

- 5.4.1. Pursuant to the Constitution, every Directors must retire once every three (3) years but shall be eligible for re-election.
- 5.4.2. The tenure of an independent Director should not exceed 9 years. The Company will adopt the two-tier voting process in seeking annual shareholders' approval to retain an independent director beyond 9 years.

5.5. Company Secretary

- 5.5.1. The appointment and removal of the Company Secretary is a matter for the Board as a whole. The Company Secretary should be suitably qualified, competent and capable of carrying out the duties required of the post.
- 5.5.2. The primary responsibilities of the Company Secretary shall include the following:
 - preparing agendas and coordinating the preparation of the Board papers;
 - ensure that Board procedures and applicable rules are observed;
 - maintaining records of the Board and ensure effective management of organisation's records;
 - preparing comprehensive minutes to document Board proceedings and ensure conclusions are accurately recorded;
 - assisting the communications between the Board and Management; and
 - providing full access and services to the Board and carrying out other functions deemed appropriate by the Board from time to time.

5.6. Board Committees

- 5.6.1. The Board shall establish Committees from time to time in the discharge of its duties and responsibilities. Each a Committee has specific terms of reference detailing the purpose, composition and functions of the committee.

SYCAL VENTURES BERHAD
Board Charter (cont'd)

5.6.2. A number of standing committees with written terms of reference has been established namely the following:

a) **Audit Committee**

Details of the terms of reference are set out in the website.

b) **Nominating Committee**

Details of the terms of reference are set out in the website.

c) **Remuneration Committee**

Details of the terms of reference are set out in the website.

5.7. The Board's Relationship with Shareholders and Stakeholders

5.7.1. The Board shall maintain an effective communications policy that enables both the Board and Management to communicate effectively with its shareholders, stakeholders and the general public.

5.7.2. The Board shall ensure that the General Meetings of the Company are conducted in an efficient manner to enhance shareholders communications.

5.7.3. The MD and/or Executive Directors shall take responsibility for addressing queries from shareholders, stakeholders and analysts and be mindful of the regulatory requirements pertaining to price sensitive information.

6. Board Processes

Board Meetings shall be conducted in a business-like manner and the Chairman shall maintain the proceedings in a constructive, productive and effective manner.

6.1. Frequency

- Meetings shall be conducted at least on a quarterly basis and special Board meetings be held as and when required with prior notice of meetings.
- Board members are required to attend the Board meetings. Other senior officers and external parties such as the auditors, solicitors and consultants may be invited to attend as and when the need arises.

6.2. Agenda

- Notice shall be given in writing at least seven (7) days prior to the meeting. The Chairman, in conjunction with the MD and the Company Secretary, shall prepare the agenda and include, amongst others, matters specifically reserved for the Board's decision. The Board shall record its deliberation, in terms of the issues discussed, and the conclusions thereof in discharging its duties and responsibilities.

6.3. Meeting Papers

- Board papers and agenda items are to be circulated at least seven (7) days prior to the meeting. Where there is a need to table a report, a brief listing of findings and/or recommendations is prepared.

SYCAL VENTURES BERHAD

Board Charter (cont'd)

- Board minutes shall be prepared within fourteen (14) days and circulated together with the Board papers at the following Board meeting.

6.4. Access to Information and Independent Professional Advice

- All Directors have unrestricted access to all information within the Group, including access to the Company Secretary and obtain independent professional advice at the cost of the Company (first discuss it with Chairman) in furtherance of their duties and responsibilities as Directors of the Company.

6.5. Induction Process

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

- time with other Directors, Chairman, the Company Secretary and Independent Director if he is a functional specialist;
- furnishing past six (6) months of the previous board minutes; the Business/strategic plan, Management reports; key competitors and management consultants reports on areas of board responsibilities;
- visits to key sites and formal induction programme.

6.6. Directors' External Commitments and Conflict of Interest

- The Director who has conflict of interest shall not participate in deliberations and shall abstain himself from casting his votes in any matter arising thereof. He shall make full disclosure and act honestly in the best interest of the Company.

6.7. Representation of the Company

- The MD/Executive Directors on behalf of the Group to speak and manage the communication of information to investors, other stakeholders and the public.
- Non-executive Directors with the exception of the Chairman should avoid commenting to external audiences to avoid confusion and to ensure that the Board speaks in one voice.

6.8. The Company's Constitution and Management's limits

6.8.1. The Board operates pursuant to the Constitutions of the Company and the laws and regulations governing companies in Malaysia. Directors may delegate their powers however the ultimate responsibility rests with the Directors as guided by the MD.

6.8.2. This responsibility can be negated only when:

- the Board believed that the delegate would exercise the powers in conformity with the Companies Act, 2016 and the Constitutions of the Company; and
- the delegate was reliable and competent.

7. Senior Independent Director

The Senior Independent Director shall play the role of:-

- i) a sounding board for the Chairman of the Company;
- ii) an intermediary for other directors when necessary; and
- iii) the point of contact for shareholders and other stakeholders.

8. Review

This Charter is to be regularly reviewed by the Board as and when required.

This Charter is dated 24 February 2022 and supersedes any charter previously in force.