

## **TERMS OF REFERENCE FOR THE BOARD**

The role and responsibilities, which include the functions and the processes of the Board are clearly set out by the Board's Terms of Reference. The Board must ensure that the EXECUTIVE COMMITTEE are aware of their roles and duties and also serve as a clear source of reference to all stakeholders. The Board must ensure that they are not in any position of conflicts.

### **The principal responsibilities of the Board are as follows:**

1. Review and adopt the strategic plan for the Council, including address the Group's business strategies on promoting sustainability and setting the goal;
2. Approve management proposal of monitoring the implementation of strategic plan by management;
3. Review and evaluate key policies adopted by the Council;
4. Oversee the conduct of the Council's business and operations, and evaluate whether its businesses are being properly managed;
5. Identify principal business risks faced by the Council and ensure the implementation of appropriate internal controls and mitigating measures to address such risks;
6. Provides leadership to enable the Council's business objectives to be met within the framework of internal controls as described herein;
7. Ensure that all candidates appointed to the Board are of sufficient calibre, including having in place a process to provide for the orderly succession of the members of the Board and diversity (including gender diversity);
8. Establish Board committees and be responsible for all decisions made by the committees;

9. Oversee the development and implementation of an investor relations programme and stakeholder communications policy;
10. Review the adequacy and integrity of the Council's internal control and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines on a quarterly basis;
11. Deliberate on proposals presented and recommended, including those proposed by its committees on a quarterly basis; and
12. Review the updates from Creating Shared Value ("CSV") of the Council on the Council's corporate social responsibilities and sustainability initiatives on a quarterly basis.

**The Board also assumes the following functions:**

1. Reviewing the Council's performance on a quarterly basis;
2. Receiving updates on various business operations from the Management;
3. Bringing independent judgment and scrutiny to decisions taken by the Board and providing objective challenges to the Management;
4. Approving the declaration of dividends and approval of financial statements, including accounting policies of the Council. There is a schedule of key matters reserved for the Board for its deliberation and decision to ensure the direction and control of the Group's businesses are in its hands.

**Key matters reserved for the Board for decision comprise of the following:**

1. Reviewing and adoption of Company's strategic plan and review and approval of annual budget;
2. Acquisition and disposal or closure of businesses;
3. Declaration of dividends and approval of financial statements, including accounting policies of the Group;



8. Establishment of new businesses;
9. Capital investment and disposal of tangible assets from existing businesses to third party;
10. Increase or reduction of subsidiary's authorised or issued capital;
11. Financing of the Council's activities;
12. Any corporate restructuring not covered by the abovementioned paragraphs;  
and

### **Process of the Board**

The Board is chaired by an Independent, Non-Executive Director and the Board meets at least four (4) times a year scheduled in every quarter.

If required, additional meetings will be scheduled. The quorum for the Board meeting shall be at least four (5) members present at the meeting.

To assist in the discharge of its stewardship role, the Board has established Board Committees, namely the Audit Committee, Nomination Committee and Compensation Committee and delegates some of its responsibilities to the Committees.

The Board Committees have the authority to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations.

The Council Secretary acts as the Secretary of the Board who shall be in attendance and shall record the proceedings of the meeting.

The Board may invite any employee of the Council to attend its meetings.

It also has access to any form of independent professional advice, information and the advice and services of the Council Secretary, if and when required in carrying out its functions.



All deliberations and decisions taken by the Board Committees are documented and approved by the respective Chairman of the Committees.

The report and recommendation of the Board Committees are included as agenda items for deliberation at the meetings of the Board.

The ultimate responsibility for decision making, however, lies with the Board.