



## KAYA HOUSE

### SING KEE KAYA LTD

#### BOARD CHARTER

## 1. Introduction

This Board Charter governs the functions and responsibilities of the Board of Sing Kee Kaya Ltd (**Company**) (**Board**).

In carrying out the responsibilities and powers set out in this Charter, the Board recognises its duties and responsibilities to:

- (a) ensure that it acts with due care and diligence and in the interests of shareholders;
- (b) adequately identify and deal with conflicts of interest at board, management and employee levels;
- (c) protect shareholder interests, including: access to information, voting rights, share of profits, equitable treatment; and
- (d) protect the interests of stakeholders including: employees, creditors, and the wider community.

## 2. Responsibilities of the Board

In addition to matters it is expressly required by law to approve, the Board is responsible for, and has the authority to determine, all matters relating to the strategic direction, policies, practices, goals for management and operation of the Company. Without intending to limit this general role of the Board, the specific functions and responsibilities of the Board include:

- (a) appointment of the Chief Executive Officer and other senior executives and the determination of their terms and conditions including remuneration and termination;
- (b) driving the strategic direction of the Company, ensuring appropriate resources and available to meet objectives and monitoring managements' performance;
- (c) monitoring the operational and financial position and performance of the Company;

- (d) ensuring the directors inform themselves of the Company's business and financial status;
- (e) reviewing, ratifying and monitoring systems of risk management and internal compliance and control, codes of conduct and legal compliance, in conjunction with Board Committees (if any), and ensuring they are operating effectively;
- (f) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures;
- (g) approving and monitoring the budget and the adequacy and integrity of financial and other reporting;
- (h) approving the annual, half yearly and quarterly accounts;
- (i) approving significant changes to the organisational structure;
- (j) approving the issue of securities in the Company;
- (k) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making;
- (l) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them;
- (m) meeting with the external auditor, at their request, without management being present;
- (n) determining the dividend policy of the Company and declaring dividends;
- (o) ensuring the Company complies with its responsibilities under all applicable laws the Company's Constitution and the NSX Listing Rules; and
- (p) ensuring appropriate resources are available to Senior Executives to enable them to perform their required duties and responsibilities.

### **3. Composition of the Board**

- (a) The composition of the Board is to be reviewed regularly to ensure an appropriate mix of skills and expertise is present to facilitate successful strategic direction.
- (b) In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

- (c) The Board's policy is that at least 50% of the Board will be comprised of non-executive Directors. Where practical, at least 50% of the Board will be independent. An independent director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgement.
- (d) Directors must disclose their interest. The independence of Directors should be regularly assessed by the Board in light of the interest disclosed by them.
- (e) Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.
- (f) Directors must declare immediately to the Board, and the Board will determine whether to disclose to the market, any loss of independence.
- (g) No member of the Board may serve for more than three years or past the third annual general meeting following their appointment, whichever is the longer, without being re-elected by the shareholders. This does not apply to the managing director.
- (h) Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Nomination Committee (if there is one) or otherwise the Chairman to ensure that they continue to contribute effectively to the Board.
- (i) The Board should comprise Directors with a mix of qualifications, experience and expertise which will assist the Board on fulfilling its responsibilities, as well as assisting the Company in achieving growth and delivering value to shareholders.

#### **4. The role of the Chairman**

- (a) The Chairman should be a non-executive Director. If a Chairman ceases to be an independent Director, then the Board will consider appointing a lead independent Director.
- (b) The Chief Executive Officer should not be the Chairman of the Company during his or her term as Chief Executive Officer or in the future.
- (c) The Chairman must be able to commit the time to discharge the role effectively.
- (d) The Chairman is responsible for the leadership of the Board, ensuring it is effective in setting the agenda of the Board, conducting the Board meetings and conducting the shareholder meetings.

- (e) The Chairman should facilitate the effective contribution of all Directors and promote constructive and respectful relations between Board members and management.
- (f) In the event that the Chairman is absent from a meeting of the Board the Board shall appoint a Chairman for that meeting.

## **5. Board Committees**

- (a) To assist the Board in fulfilling its duties the Board has the authority to establish and determine the powers and functions of committees of the Board, including the following:
  - Audit and Risk Committee;
  - Remuneration Committee;
  - Nomination Committee; and
  - Continuous Disclosure Committee.
- (b) Each board Committee, when and if established, will have a documented charter, approved by the Board, setting out its responsibilities.
- (c) The charter of the Committees will be reviewed following any applicable regulatory changes.
- (d) The Board will ensure that the Committees are sufficiently resourced to enable them to fulfil their roles and discharge their responsibilities.
- (e) Members of the Committees will be appointed by the Board. The Board may appoint additional Directors to Committees or remove and replace members of the Committees by resolution.
- (f) The minutes of each Committee meeting shall be provided to the Board at the next occasion the Board meeting following approval of the minutes of such Committee meeting.

## **6. Board meetings**

- (a) The number of Directors necessary to constitute a quorum is that number as is determined by the Directors and, unless otherwise determined, is two.
- (b) The Board will schedule formal Board meetings at least quarterly and hold additional meetings, including by telephone, as may be required. All Directors will be given adequate notice of scheduled Board meetings, to facilitate full attendance.

- (c) Non-executive Directors may confer at scheduled times without management being present.
- (d) The minutes of each Board meeting shall be prepared by the Company Secretary, approved by the Chairman and circulated to Directors after each meeting.
- (e) The Company Secretary shall distribute supporting papers for each meeting of the Board as far in advance as practicable.
- (f) Minutes of meetings must be approved at the next Board meeting.

## **7. The Company Secretary**

- (a) When requested by the Board, the Company Secretary will facilitate the flow of information of the Board, between the Board and its Committees (if any) and between senior executives and non-executive Directors.
- (b) The Company Secretary is to facilitate the induction of new Directors.
- (c) The Company Secretary is to facilitate the implementation of Board policies and procedures.
- (d) The Company Secretary is to provide advice to the Board on corporate governance matters and law.
- (e) All Directors have access to the advice and services provided by the Company Secretary.
- (f) The Board is responsible for the appointment and removal of the Company Secretary.

## **8. Access to advice**

- (a) All Directors have unrestricted access to company records and information except where the Board determines that such access would be adverse to the Company's interests.
- (b) All Directors may consult management and employees as required to enable them to discharge their duties as Directors.
- (c) The Board, Board Committees (if any) or individual Directors may seek independent external professional advice as considered necessary at the expense of the Company, subject to prior consultation with the Chairman. A copy of such advice received is made available to all members of the Board.

## **9. Management**

- (a) The Board will delegate responsibility for the day-to-day operations and administration of the Company to the Chief Executive Officer, Chief Operating Officer and other designated consultants of the Company.
- (b) In addition to formal reporting structures, members of the Board are encouraged to have direct communications with management and other employees within the Group to facilitate the carrying out of their duties as Directors.

## **10. Evaluation and Review**

- (a) Until such time as a Nomination Committee is established, the Board is responsible for the evaluation and review of the Board and its committees (if any).
- (b) The Chairman is primarily responsible for the evaluation and review of the performance of individual non-executive Directors. The Chairman should disclose the process for evaluating the performance of those directors.
- (c) The Board (other than the Chairman) is responsible for the:
  - Evaluation and review of the performance of the Chairman; and
  - Review of the effectiveness and programme of Board meetings.

The process for the performance evaluation of the Board, its committees and directors generally involves an internal review. From time to time, as the Company's needs and circumstances require, the Board may commission an external review of the Board and its composition.

## **11. Disclosure Policy**

The Board should ensure that the Company has in place effective disclosure policies and procedures so that shareholders and the financial market are fully informed to the extent required by the applicable disclosure rules and legislation of matters that may influence the price of securities of the Company.