

MNRB HOLDINGS BERHAD

BOARD CHARTER

This Board Charter (“Charter”) is designed to provide Directors with greater clarity regarding the role of the Board, the requirements of Directors in carrying out their role and discharging their duties to the Company, and the Board's operating practices.

In adhering to the responsibilities set out in this Charter, Board members are expected to perform their duties with integrity, honesty and in a professional manner in accordance with the law in serving the interests of its shareholders, clients, employees, the community and other stakeholders.

It should be noted that this Charter serves as a reference to the Board members in executing their responsibilities. The provisions contained in this Charter neither replace nor supersede the laws of Malaysia or the applicable regulatory frameworks.

The Charter reads as follows: -

1.0 Introduction

The Board of Directors (“Board”) is responsible for the stewardship and oversight of the management of the Company’s business and affairs.

The Board’s overriding objective is to increase shareholders’ value within an appropriate framework, which protects the rights and interests of the Company’s shareholders and ensure that the Company is properly managed.

2.0 Responsibilities of the Board

The Board is responsible to lead and control the Company in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Company and its stakeholders.

The Board is principally responsible for:

2.1 Strategy Setting

The Board’s main role is to review and approve strategic or business plans, financial objectives, major capital and operating budget and matters of policy proposed by the Senior Management Team.

The Board is to monitor the management's performance in implementing the adopted strategies and provide relevant direction and advice where necessary to ensure the achievement of the Company's objectives.

2.2 Management of the Company

The Board must oversee the performance of the management, ensuring that the Company is properly managed.

2.3 Risk Management

The Board is responsible to ensure that principal risks are identified and adequate mitigating action plans are put in place.

2.4 Succession Planning

The Board is responsible to ensure candidates for the post of President & GCEO and other key roles are of highest calibre.

The Board shall have in place a succession planning strategy at all times.

2.5 Integrity of Internal Control

The Board shall review the adequacy and integrity of the Company's internal control system on a regular basis and ensure that there is an effective and satisfactory framework for reporting internal financial controls and regulatory compliance. In addition, the Board is expected to establish and ensure the effective functioning of an Audit Committee and Internal Audit department.

3.0 Matters Reserved by the Board

Certain specific matters are designated as Matters Reserved whereby the decision making shall be under the sole discretion and responsibilities of the Board. Unless otherwise restricted by the Companies Act 2016, or the Company's Constitution, nothing herein shall restrict the Board from delegating at any time, the Matters Reserved.

The details of the Matters Reserved are as attached under **Appendix A** herewith.

4.0 Composition

4.1 Composition of the Board

- The Board shall comprise that number of Directors as shall be determined from time to time by the Board, in accordance with the Company's Constitution ("Constitution") and applicable laws.
- The Company's Constitution provides that until otherwise determined in a general meeting, the number of Directors shall not be less than two (2) nor more than ten (10).
- The Chairman of the Board must not be an executive, and must not have served as Executive Director/CEO of the financial institution in the past five (5) years.
- The Board must not have more than one (1) Executive Director, unless Bank Negara Malaysia ("BNM") approves otherwise in writing and subject to the conditions imposed by BNM.
- The Board shall comprise at least 30% women directors.

4.2 Independent Director

- The Board must have a majority of independent directors at all times.
- The independence of the Directors is to be assessed by the Nomination Committee/Board in accordance with the requirements of Bursa Malaysia Securities Berhad, BNM and the Company's Policy on Independent Directors.
- A Director may serve as an Independent Director of the Board for a period not exceeding nine (9) years (excluding the year of appointment) except under exceptional circumstances as approved by BNM.
- Pursuant to the BNM's Policy Document on Corporate Governance, a financial institution must obtain the prior approval of BNM before the removal or resignation of an independent director takes effect.

4.3 Senior Independent Director

- The Board shall appoint a Senior Independent Director from among its Independent Non-Executive Directors to whom concerns from other Directors, shareholders, potential investors and members of the public may be conveyed.
- The selection of the Senior Independent Director should take into account factors such as seniority in terms of years spent on the Board, industry experience and the significant influence he/she has within the Board including ability to convey concerns of the Directors to the Chairman and/or other members of the Board.
- The Senior Independent Director will be expected to play the following roles:-
 - a) act as a sounding board for the Chairman;
 - b) an intermediary for other Directors when necessary; and
 - c) the point of contact for shareholders and other stakeholders for any query or concerns relating to the Company which may be deemed inappropriate to be communicated through the normal channels.

5.0 Appointment of Directors

- 5.1 The Nomination Committee is responsible for recommending candidates for appointment to the Board.
- 5.2 In carrying out the assessment, the Nomination Committee shall give consideration to the skills/expertise, perspective and experiences that the candidate can bring to the boardroom.
- 5.3 The Nomination Committee must also perform a thorough and comprehensive fit and proper assessment (i.e. background, skills, knowledge and experience) of the candidate in accordance with the Company's Fit and Proper Policy and Procedure (Fit & Proper Policy). The background screening check shall be performed by an independent party prior tabling the proposal to the Nomination Committee.

The Fit & Proper Policy outlines the following criteria for assessment of the suitability of the candidate for appointment:-

- Probity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind, fairness and ethical behaviour.
- Competence and capability, where the candidate must have the skills, experience, ability and commitment to carry out the role.
- Financial integrity, where the candidate must have financial soundness and be able to manage his/her debts or financial affairs prudently.

Should the appointment of directors require any regulators' approval, the Board should ensure that the approvals are obtained prior to the appointment.

- 5.4 Once appointed, the Director will receive a Letter of Appointment together with relevant documents. An in-house orientation will also be organised by Management initiated by the Company Secretary within three (3) months from his/her date of appointment.
- 5.5 Being a Director of a listed company, the director is required to attend a Mandatory Accreditation Programme ("MAP") within four (4) months after his/her appointment on the Board. Otherwise, the Director should provide a copy of his/her certificate of MAP to the Company Secretary in the event that he/she has completed the MAP prior to appointment.
- 5.6 Besides MAP, the new Director must also attend the Financial Institution Directors' Education ("FIDE") programme and complete the same within one (1) year from the date of appointment. In the event that he/she has completed the same in other FI previously, the Director should provide a copy of his/her certificate of FIDE to the Company Secretary.
- 5.7 A new Director is required to commit sufficient time to attend the Company's meetings/matters before accepting the appointment to the Board.
- 5.8 Directors must devote sufficient time to carry out their responsibilities to the Board. Directors must notify the Chairman before accepting any new Directorships and to indicate the time expected to be spent on the new appointment.

6.0 Re-election, Retirement and Resignation of Directors

- 6.1 Pursuant to the Company's Constitution, at least one third of all Directors should retire by rotation in every year and be eligible for re-election at the annual general meeting.
- 6.2 The Directors to retire in every year shall be those who have been longest in office since their appointment or last election but as between persons who became directors on the same day, those to retire shall (unless they agree amongst themselves) be determined by lot.
- 6.3 An internal review by the Nomination Committee shall be conducted on the tenure of Non-Executive Directors (NEDs) (save for Non-Independent Non-Executive Director [NINED] who is a Board representative of the major shareholder) once every two (2) years, subject to the following provisions:-

- (i) NEDs (save for NINED who is a Board representative of the major shareholder) may be re-appointed for a further service tenure provided that such tenure shall not exceed a consecutive or cumulative term of nine (9) years.

Computation of the service tenure will commence from the date of his/her appointment in the Group.

- (ii) Upon completion of the nine (9) years, an Independent Non-Executive Director ("INED") shall resign from the Board of the Company. Otherwise, the Board must justify and seek the regulator's and shareholders' approval through a two-tier voting process in the event it retains as an INED, a person who has served in that capacity for more than nine (9) years, upon recommendation of the Nomination Committee.
- (iii) Re-appointment of any Directors will be subject to the Director's Annual Performance Review and other factors prevailing at the point of renewal of Term.

Should such re-election/ reappointment or resignation require any regulators' approval, the Board should ensure that necessary application for re-election or resignation is submitted to the regulators within the stipulated timeframe.

7.0 Board Effectiveness Evaluation

- 7.1 The annual assessment on the effectiveness of the Board and the individual Board members is designed and established with the objective of assessing the effectiveness of the Board and the individual directors. It aims to improve the Board's effectiveness as well as draw the Board's attention to key areas that need to be addressed or improved.
- 7.2 The evaluation is based on a combination of self and peer assessment performed via a customized questionnaire. A summarised report of the results will be presented to the Nomination Committee and the Board to enable them to identify the areas for improvement and put in place appropriate measures.
- 7.3 The Company Secretary is authorised to collate the results of the evaluation process prior tabling to the Nomination Committee and Board. This is to ensure integrity and independence of the appraisal process.
- 7.4 The Board shall appoint an independent external party ~~periodically~~ to conduct the evaluation every once in three (3) years.
- 7.5 Pursuant to paragraph 15.20 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Nomination Committee of a listed issuer must review the term of office and performance of an Audit Committee and each of its members annually to determine whether such Audit Committee and members have carried out their duties in accordance with their terms of reference

8.0 Responsibilities of Directors

To effectively discharge their duties, the Directors are responsible to:

- 8.1 Be proactive in seeking more information within the Company and the industry, in an effort to have knowledge so as to participate and contribute effectively in the meetings.
- 8.2 Maintain confidentiality on Board deliberations and all confidential information received by a director unless the disclosure has been authorised by the Board or required by law.
- 8.3 Exercise independent judgement when making decisions and act strictly in the best interest of the Company and its shareholders generally and not in the interest of any one shareholder or group of shareholders.

- 8.4 Seek professional independent advice at the Company's expense, as and when required. The director must ensure that the costs are reasonable and must discuss with the Chairman before the advice is obtained.
- 8.5 Disclose in writing to the Board any actual or potential conflict of interest or duty that might reasonably be thought to exist as soon as the situation arises, and in addition take necessary and reasonable action to resolve or avoid any actual or potential conflict of interest or duty.
- 8.6 Continuously educate themselves to maintain the necessary depth and breadth of knowledge and skills.
- 8.7 Ensure that high standards of corporate governance are applied.

9.0 Responsibilities of the Chairman

- 9.1 The Chairman, who shall be a Non-Executive Director, carries out a leadership role in the conduct of the Board and its relations with shareholders and other stakeholders.
- 9.2 He maintains a close professional relationship with the President & GCEO and his management team.
- 9.3 He chairs Board meetings, as well as general meetings of shareholders, and concerns himself with the good order and effectiveness of the Board and its processes.
- 9.4 The Chairman acts as a facilitator at Board meetings and ensures that no Board members, whether executive or non-executive, dominates the discussions.
- 9.5 The Chairman shall also encourage all Directors to participate in the affairs of the Board and be given adequate opportunity to express their views.
- 9.6 The key roles of the Chairman are: -
 - Ensuring that there is a balanced board, comprising Executive, Non-Executive and Independent Directors;
 - Ensuring that appropriate procedures are in place to govern the Board's operation;

- Ensuring full participation of the Executive, Non-Executive and Independent Directors in the Board's decision making processes and activities;
- Facilitating the effective contribution of Non-Executive and Independent Directors and building a strong bond and trust between them and the Executive Director;
- Ensuring that the whole Board plays a full and constructive part in developing and determining the Company's and/or Group's strategy and overall business and commercial objectives;
- Effectively leading the Board as a whole and in particular during Board meetings and general meetings;
- Setting the agenda to be tabled for discussion, in consultation with the President & GCEO and the Company Secretary, taking into consideration the important issues facing the Company and/or Group with emphasis to strategic, rather than routine issues;
- Ensuring that there are sufficient channels for effective communication between the Board and the shareholders at general meetings;
- Ensuring that complete, timely and clear information on the Company and/or Group affairs are provided to the Board;
- Ensuring that the advice of the Company Secretary on compliance, procedures and rules are considered and acted upon; and
- Ensuring effective communication between the Company and/or Group and its shareholders, management and other stakeholders.
- The Chairman should also ensure that board committee meetings are not combined with the main board meeting.

10.0 Responsibilities of President & GCEO

- 10.1 The role of the President & GCEO is vital to the performance of the Company. He is required to provide leadership, strategic vision, high-level business judgment and wisdom, and the ability to meet immediate performance targets without neglecting longer-term growth opportunities of the Company.

10.2 The President & GCEO shall have his principal or only place of residence within Malaysia and devote the whole of his professional time to the service of the Company.

10.3 The key role of the President & GCEO, amongst others, shall include:-

- Developing the Company's strategic direction;
- Ensuring that the Company's strategies and corporate policies are effectively implemented;
- Ensuring that Board decisions are implemented and Board directions are responded to;
- Providing directions in the implementation of short and long term business plans;
- Providing strong leadership; i.e. effectively communicating the vision, management philosophy and business strategy to the employees;
- Keeping the Board fully informed of all important aspects of the Company's operations and ensuring that sufficient information is distributed to Board members; and
- Ensuring the day-to-day business affairs of the Company is effectively managed.

10.4 The President & GCEO is to have a formal service contract describing his/her term of office, duties, rights and responsibilities and entitlements.

11.0 Ethics

11.1 Members of the Board shall carry out their responsibilities objectively, honestly and in good faith, and act to the best interests of the Company.

11.2 Directors of the Company are expected to conduct themselves according to the highest standards of personal and professional integrity.

11.3 Directors are also expected to set the standard for Company-wide ethical conduct and ensure ethical behavior and compliance with laws and regulations.

- 11.4 Directors are expected to comply with the Conflict of Interest Policy and must keep the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Company.
- 11.5 Directors are expected to act in accordance with applicable law, the Company's Constitution and the Company's Code of Conduct and Ethics. The MNRB Group Code of Conduct shall be read in conjunction with this Board Charter.

12.0 Board Structures and Procedures

12.1 Board's role

The Board is responsible for the overall direction of the Company's business and affairs on behalf of the shareholders. The Board delegates authority for the actual conduct of the business to the President & GCEO who, together with the management team, is accountable to the Board.

The Board's roles shall, among others, be as follows:-

- Deliberate the Company's goals and strategic direction and monitor implementation of those goals and strategies;
- Monitoring the financial performance of the Company including adopting annual budgets and approving the Company's financial statements;
- Approving and monitoring the progress of capital expenditure, capital management acquisitions and divestitures;
- Ensuring that adequate systems of internal compliance and control exist and are appropriately monitored for compliance;
- Appointing and removing the President & GCEO, the Board Appointees and the Group Shariah Committee members as well as reviewing their performance;
- Ensuring significant business risks are identified and appropriately managed and regularly review the risk management framework and system;
- Ensuring appropriate and adequate disclosures of information to shareholders, Bursa Securities Malaysia Berhad ("Bursa Malaysia"), BNM, and any other authorities;

- Oversee the implementation of Shariah Advisory Council rulings and decisions and the implementation of the internal control framework to prevent Shariah non-compliance;
- Promote a sound corporate culture which reflects the importance of adhering to Shariah requirements in product development and marketing, strategy formulation, business operations, risk management practices and other aspects that promote end-to-end compliance with Shariah.

12.2 Board's power

The Board's powers include the ability to:-

- Appoint new Directors to the Board in accordance with the applicable Act and Constitution;
- Initiate and adopt corporate plans, commitments and actions;
- Initiate and adopt changes in accounting principles and practices;
- Provide advice and counsel to the President & GCEO;
- Instruct and review the actions of any Board Committee and of the President & GCEO;
- Make recommendations to shareholders;
- Meet from time to time in the absence of management;
- Require the attendance of the Company's Auditor, either with or without management being present;
- Act as to all other corporate matters not requiring shareholders' approval;
- Determine the dividend policy and declare dividends to shareholders;
- Issue or buy-back of shares in accordance with the applicable Acts and Constitution.

13.0 **Board's Committees**

13.1 The Board may delegate matters to committees of the Board to oversee and address matters which requires detailed review or in-depth consideration.

13.2 The Committees established and the description of their functions are as follows:-

- **Audit Committee**

The primary objective of the Audit Committee is to provide additional assurance to the Board by rendering objective and independent review of financial, operational as well as administrative controls and procedures. The Audit Committee assists the Board in establishing and maintaining internal controls for areas of risks as well as safeguarding of assets.

The Audit Committee reports to the Board every financial quarter on work carried out, key deliberations and decisions taken on delegated matters.

- **Risk Management Committee of the Board (RMCB)**

The primary objective of the RMCB is to oversee the management of the key risk areas of the Company and to ensure that the risk management process is in place and functioning effectively.

The RMCB reports to the Board every financial quarter on work carried out, key deliberations and decisions taken on delegated matters.

- **Nomination Committee**

The primary objective of the Nomination Committee is to support and advise the Board in fulfilling their responsibilities to ensure the Board and the key management of the Company comprised individuals with the appropriate mix of qualifications, skills and experience.

The Nomination Committee reports to the Board periodically or as and when required on work carried out, key deliberations and decisions taken on delegated matters.

- Remuneration Committee

To support the Board in actively overseeing the design and operation of the Company's remuneration system and to provide a formal and transparent procedure for developing a remuneration policy for Directors, President & GCEO and key senior officers AND ensuring that their compensation is competitive and consistent with the Company's culture, objectives and strategy.

The Remuneration Committee reports to the Board periodically or as and when required on work carried out, key deliberations and decisions taken on delegated matters.

- Investment Committee

The primary objective of the Investment Committee is to assist and advise the Board in the formulation of investment objectives and targets, asset allocation and to set investment guidelines for securities, money market instruments and other asset classes when necessary.

The Investment Committee reports to the Board every financial quarter on work carried out, key deliberations and decisions taken on delegated matters.

- Group Shariah Committee ("GSC")

The primary objective of the GSC is to oversee the Shariah matters of the subsidiaries of the Group, which are licensed under the Islamic Financial Services Act, 2013 with the purpose of ensuring compliance with Shariah principles in carrying out their aims, operations, business and activities at all times.

13.3 From time to time, the Board may create ad hoc committees to examine specific issues on behalf of the Board.

13.4 The existence of Board Committees does not diminish the Board's ultimate responsibility over the functions and duties of these Board Committees.

13.5 The Board remains fully accountable for any authority delegated to the Board Committees

- 13.6 The Board shall approve the Terms of Reference of the standing and additional Board Committees, which shall set out the roles and responsibilities of each Committee, having regard to its membership and composition against skills and experience.
- 13.7 The Chairman of the Board shall not be a member of the Audit Committee, Nomination Committee and Remuneration Committee.

14.0 Board Meetings

- 14.1 The Board meets at least six (6) times annually, with additional meetings to be convened when necessary, to review financial, operational and business performances.

Board meetings for each financial year are scheduled prior the end of the preceding financial year.

- 14.2 A Director must attend at least 75% of the Board meetings held in the financial year and must not appoint another person to attend or participate in a Board meeting on his behalf.
- 14.3 Meeting agendas shall be developed by the Company Secretary in consultation with the Chairman. Board members may propose agenda items through communication with the Company Secretary.
- 14.4 At the discretion of the Board, members of management and others may attend Board meetings.
- 14.5 Directors are expected to be fully prepared for each Board meeting, which requires them, at a minimum, to have read the material provided to them prior to the meeting.
- 14.6 At Board meetings, each Director is expected to take an active role in discussion and decision-making. To facilitate this, the Chairman is responsible for fostering an atmosphere conducive to open discussion and debate.
- 14.7 Independent Directors shall have the opportunity to meet at appropriate times, without the presence of the Management, at regularly scheduled meetings. Independent Directors may propose agenda items for meetings of Independent Directors members through communication with the Chairman.
- 14.8 The appointment or removal of Company Secretary of the Board shall be the prerogative of the Board.

- 14.9 A quorum shall consist of half of the Board members present in person or via video conferencing or telecommunication facilities with majority comprising independent directors.

15.0 Directors Training and Continuous Education

- 15.1 The Board shall ensure that its members have access, at the Company's expense, to appropriate continuing education programmes to update their knowledge and enhance their skills to sustain their active participation in Board deliberation.

Training needs for the Board members shall be assessed by the Nomination Committee on behalf of the Board.

- 15.2 All training attended by Directors must be disclosed in the Annual Report / CG Report.
- 15.3 The Board must continuously develop and strengthen its members' knowledge and understanding on Islamic finance/ takaful/ retakaful, as well as keep abreast with developments that may impact Islamic financial business.

16.0 Company Secretary

- 16.1 The Board shall ensure it is supported by a suitable qualified and competent Company Secretary, who shall, at minimum, meet the requirements of the Companies Act, 2016.
- 16.2 The appointment and removal of the Company Secretary shall be subject to the Board's approval.

17.0. Access

The Board shall have unrestricted access to management and to information pertaining to the Company and/or Group including from the Company and/or Group's auditors and consultants.

18.0 Independent Professional Advice

- 18.1 The Board collectively and each Director individually may take, at the Company's expense, such independent professional advice as is considered necessary to fulfill their relevant duties and responsibilities.
- 18.2 Individual Board members seeking such advice must obtain the approval of the Chairman (which may not be unreasonably withheld) and the advice shall be made available to all Board members as appropriate.

19.0 Remuneration

- 19.1 Both Executive and Non-Executive Directors' remuneration are deliberated by the Remuneration Committee and be recommended to the Board for its approval.
- 19.2 Non-Executive Directors will be paid a basic fee as ordinary remuneration and they will also be paid a sum based on their responsibilities in Board committees and for their attendances at meetings.
- 19.3 The meeting Attendance Allowance shall be paid for attending Board and Committee meetings i.e. both scheduled and special meetings and shall exclude General Meetings, adjourned meetings, brainstorming meetings, trainings and other non-Board and non-Committee meetings.
- 19.4 The fee which is subject to the approval of the shareholders shall be fixed in sum and not by a commission or percentage of profits/turnover.
- 19.5 The Company aims to set remuneration at levels which are sufficient to attract and retain the directors needed to oversee the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved.

20.0 Indemnification and Directors and Officers insurance

In the course of discharging Directors' duties, the Directors may be exposed to certain wrongful acts such as error, misstatement, misleading statement, omission, neglect or breach of duty committed or attempted or allegedly made. To the extent allowed by law, the Company will provide Board members and will pay the premiums for such indemnity and insurance cover while acting in their capacities as Directors: provided always that such wrongful acts occur in good faith and not as a result of dishonesty, fraud, insider trading and malicious conduct. The insurance cover shall not pay for fines, penalties and/or liabilities arising from intentional breach of contract.

21.0 Review of Board Charter

The Board Charter shall be reviewed at least once in every two (2) years or when necessary.

Any updates to the principles and practices set out in this Board Charter shall be made available on the corporate website.

Dated: May 28, 2021

DIRECTORS' CODE OF ETHICS

Board members are required to observe the Directors' Code of Ethics as follows:

1. Compliance at all times with this Code of Ethics and the Board Charter.
2. Observe high standards of corporate governance at all times.
3. Adhere to the principles of integrity, objectivity, accountability, openness, honesty and leadership.
4. Act in good faith and in the best interest of the Company.
5. Not misuse information gained in the course of duties for personal gain or for political purpose, nor seek to use the opportunity of the service as Directors to promote their private interests or those of connected persons, firms, businesses or other organizations.
6. Uphold accountability at all times. This includes ensuring that the Company's resources are properly safeguarded and the Company conducts its operations as economically, efficiently and effectively as possible at all times.
7. Declaration of any personal, professional or business interests that may conflict with Directors' responsibilities. Guidance on declaration and registration of interests is given in the section entitled "Declaration of Interests" below.
9. Follow the guidelines on acceptance of gifts and hospitality as stated in the section entitled "Guidelines on Acceptance of Gifts" below.

Declaration of Interests

Subject to the requirements of any Acts, rules or regulations that are in force from time to time and in addition to such mandatory requirements, members of the Board are required to notify the Company Secretary changes in the following:

1. Shareholding in the Company and its related corporations, whether direct or indirect;
and
2. Directorships or interests in any other corporations.

In addition to the above, members of the Board who has a material interest, either directly or through a partner, spouse or close relative, in matters being considered by, or likely to be considered by the Board should declare that interest.

Such declarations should describe the interest clearly and state whether it carries direct or indirect financial benefits.

Relevant interests in this context are as follows:-

1. Executive and Non-Executive Directorships, significant shareholdings in, or employment by, public or private companies likely or possibly seeking to do business with the Company.
2. Ownership or part-ownership of, or employment by, businesses or consultancies likely or possibly seeking to do business with the Company.

Register of Related Parties

The Code requires that a formal Register of Related Parties be established. The register should include details of all Directorships and other relevant interests, declared by Board Members and key management personnel of the Group.

The register should be kept up-to-date by the Company Secretary.

Conduct in Meetings

Any Board Member who has an interest in a matter under consideration by the Board should declare such interest at any meeting where the matter is to be discussed, whether or not that interest is already recorded in the register. The Board Member concerned should withdraw from the meeting during the relevant discussion or decision.

Membership of Committees

Board Members should not accept positions on Board committees or working groups where a conflict of interest is likely to arise, without first declaring that interest.

Guidelines on Acceptance of Gifts

The following set out guidelines on acceptance of gifts:

1. The conduct of individuals must not create suspicion of any conflict between their position as a member of the Board and any private interest;
2. Board Members acting as such must not give the impression that they have been influenced by a benefit to show favor or disfavor to any person or organization having dealings with the Company;
3. Board Members must not accept any benefit as an inducement or reward for taking any action (or specifically not taking any action) in their official capacity as a Board Member; and
4. Gifts other than of token value should generally be refused.

RESERVED MATTERS**(A) CONDUCT OF THE BOARD**

1. Appointment / reappointment and removal of Director;
2. Appointment of Board Committees' members and its terms of reference;
3. Appointment, removal and extension of contract of the President & Group Chief Executive Officer of the Company;
4. Appointment and removal of Board Appointments* and Group Shariah Committee;
5. Recommendation on the appointment of external auditors and their related audit fees;

(B) REMUNERATION MATTERS

6. Approval / recommendation of the Directors' fee / remuneration arrangements for Non-Executive Directors including the Non-Executive Chairman and the Group Shariah Committee members;
7. Approval on the remuneration package of Board Appointments and Key Risk Takers (where applicable);

(C) OPERATIONAL

8. Approval of Annual Budget of the Company and the Group;
9. Business and operating strategies;
10. Material acquisition and disposals of assets;
11. New or changes to current Business plans;
12. Related-party transaction of a material nature;
13. Corporate policies on investments (including the use of derivatives) and risk management;
14. The outsourcing of core business functions;
15. Authority levels for core functions of the Company, including:-
 - Banking arrangements that include the opening of bank accounts, limits of financial authority and appointment of cheque signatories; and
 - Investment guidelines.

(D) FINANCIAL

16. Approval of annual financial statements;
17. Approval for the release of financial announcements;
18. Approval of Corporate Governance Overview Statement and Corporate Governance Report;
19. Approval of interim dividends for payment and the recommendation of final dividend or other distribution for shareholders' approval;

RESERVED MATTERS

20. Adoption of accounting policies;
21. Approval of the review on adequacy and effectiveness of the Group's system or risk management and internal controls;
22. Staff bonus and annual increment;

(E) OTHER MATTERS

23. Appointment of professional independent advisers such as merchant bankers, solicitors, reporting accountants, auditors, tax advisers, actuaries and others;
24. Scheme of Service and Collective Agreement;
25. Granting of power of attorney by the Company;
26. Changes in the financial year;
27. Recommendation for purchase of own shares by the Company;
28. Approval of major changes in the activities of the Group;
29. Approval of policies of the Company and Group;
30. Any other matter requiring the convening of a general meeting of shareholders or any class of shareholder; and
31. Any other significant business decision.

**Board Appointments shall include any post created by the Board, including those appointed under E11 and above, and positions named by relevant Regulator to be sanctioned by the Board.*

For avoidance of doubt, the positions named by relevant Regulator to be sanctioned by the Board include, but are not exhaustive, the following:-

- (a) *Appointed Actuary;*
- (b) *Group Chief Risk Officer;*
- (c) *Compliance Officer;*
- (d) *Company Secretary;*
- (e) *Group Chief Internal Auditor; and*
- (f) *Any other positions that the Regulator may from time to time specify)*