



SYMPHONY LIFE BERHAD
(Company No. 5572-H)

BOARD CHARTER

1. INTRODUCTION

The Board of Directors of Symphony Life Berhad ("**the Board**") is accountable and responsible for the business performance and affairs of the Company and its Group of companies. The Board is charged with leading and managing the Company in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Company, and collectively and individually are/is responsible to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board practises a high level of governance in the discharge of its duty to protect and safeguard the interests of the Company's shareholders, customers and all other stakeholders.

All Board members are expected to show good stewardship, act professionally and uphold the values of integrity, responsibility, sincerity and corporate responsibility with due regard to their fiduciary duties and responsibilities as members of the Board and the various legislations and regulations affecting their conduct, and that the highest standards of Corporate Governance are applied in all their dealings in respect of and on behalf of the Company.

2. THE BOARD

2.1 Board Composition

The Board consists of qualified individuals with diverse set of skills, experience and knowledge necessary to govern the Company. The composition and size of the Board is such that it facilitates the decision making of the Company.

The Constitution of the Company provides for a minimum of two (2) Directors and a maximum of fifteen (15) Directors. At any one time, at least two (2) or one-third (1/3), whichever is higher, of the Board members are Independent Directors ("**IDs**"). The IDs provide independent judgement, experience and objectivity without being subordinated to operational considerations. The IDs 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 tenure of an Independent Non-Executive Director ("**INED**") should not exceed a cumulative term limit of nine (9) years. Upon completion of the nine (9) years, an INED may continue to serve on the Board as a Non-Independent. If the Board intends to retain an INED beyond nine (9) years, it shall justify and seek annual shareholders' approval.



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If the Board continues to retain the INED after the twelfth (12th) year, the Board shall seek annual shareholders' approval through a two-tier voting process. Under the two-tier voting process, shareholders' votes will be cast in the following manner at the same shareholders' meeting:-

- Tier 1 : Only the Large Shareholder(s) of the Company votes.
- Tier 2 : Shareholders other than Large Shareholder(s) votes.

The Board shall appoint a Senior Independent Director, who will also attend to any query or concern raised by shareholders.

The composition and size of the Board shall be reviewed from time to time to ensure its appropriateness.

2.2 Appointments and Re-election

The appointment of a new Director is a matter for consideration and decision by the Board upon the recommendation from the Nominating Committee ("**NC**"). In making the recommendations, the NC will consider the required mix of skills, experience and diversity where new Directors are expected to have such expertise so as to qualify them to make positive contributions to the Board's performance of its duties and to give sufficient time and attention to the affairs of the Company.

The Company Secretaries have the responsibility of ensuring that relevant procedures relating to the appointments of new Directors are properly executed.

The Constitution of the Company provides that every newly appointed Director be subjected to re-election at the immediate Annual General Meeting ("**AGM**"). Further, one-third (1/3) of the Board shall retire from office and be eligible for re-election at every AGM, and all the Directors shall submit themselves for re-election at least once every three (3) years.

2.3 Induction and Training

A briefing on the Company's organisation and operations will be conducted and an On-Boarding Information Pack will be given to a newly appointed Director.

The Company will also organise site visits to the Group's projects to enable the Directors to familiarise with the on-going projects.

In addition to the Mandatory Accreditation Programme as required by Bursa Malaysia Securities Berhad ("**Bursa Securities**"), Board members are encouraged to attend seminars, training programmes organised by the relevant authorities and

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professional bodies to broaden their knowledge and to keep abreast with the relevant changes in laws, regulations and the business environment. This will enable Directors to effectively discharge their duties and sustain active participation in the Board deliberations. The Board shall assess the training needs of the Directors from time to time and disclose in the Annual Report the trainings attended by the Directors.

2.4 Independence of Director

The NC and Board assess the independence of the IDs annually by taking into consideration their disclosed interests and having regard to the criteria for assessing the independence of Directors under the annual Board Assessment.

2.5 Board Meetings

The Board schedules at least five (5) meetings a year with additional meetings to be convened whenever urgent and important matters or decisions are required. The Board will deliberate and consider the Group's strategies and policies, corporate governance, risk management, corporate proposals and budgets, financial results and the business plans and directions in the Board meetings. The Board ensures that its decisions as well as issues deliberated on before arriving at those decisions are properly documented and implemented.

A full agenda of the meeting and all Board papers will be distributed in advance to ensure Directors are well informed and have the opportunity to seek further information on the matters to be deliberated, so as to be properly prepared at the meetings. Where necessary, the services of other senior management or external consultants will be arranged to brief and assist the Directors to clear any doubt or concern.

2.6 Financial Reporting

In presenting the annual financial statements and quarterly announcements to the shareholders, the Board aims to present a balanced and meaningful assessment of the Group's financial performance and prospects.

The Board ensures that the financial statements are prepared in accordance with the Companies Act 2016 and approved accounting standards, so as to give a true and fair view of the state of affairs of the Group and the Company. The Board is assisted by the Audit and Risk Management Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

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2.7 Directors and Senior Management's Remuneration

The Remuneration Policy is to establish a fair and structured framework that will attract and retain competent Directors and Senior Management by offering a competitive remuneration package within the industry.

The remuneration package is reflective of the individual Director and Senior Management's experience and level of responsibilities, and it is structured to link rewards to corporate and individual performance. For Non-Executive Directors ("NEDs"), they receive a basic fee and an attendance fee for participation in meetings of the Board and any of the Committee meetings.

Information prepared by independent consultants and survey data on the remuneration practices of comparable companies are taken into consideration in determining the remuneration packages for Directors and Senior Management.

The Board as a whole resolves on the fees for the NEDs as recommended by the Remuneration Committee. The fees and benefits payable to the NEDs are subject to the approval of the shareholders.

The Remuneration Policy for Directors and Senior Management is available on the Company's website at www.symphonylife.my.

2.8 Company Secretaries

All Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Company Secretaries, who are all qualified, experienced and competent, advise the Board on updates relating to new statutory and regulatory requirements pertaining to the duties and responsibilities of the Directors.

The Company Secretaries undertake, inter-alia, the following functions:-

- advise the Directors and Management of their duties and responsibilities;
- prepare the agenda with the Chairman and notify all Directors of the Board and Board Committee meetings;
- attend all Board and Board Committee meetings and ensure that all meetings are properly convened and proceedings are properly recorded;
- communicating decisions of the Board and Board Committees to Management for necessary action;

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- ensure the execution of all relevant assessments for Directors, the Board and Board Committees;
- identify and arrange suitable training programmes for the Directors;
- advise the Board on its obligatory requirements to disclose material information; and
- ensure the appointment of new Directors, re-election, re-appointment, retention and resignation of Directors are in accordance with the relevant legislations, regulations and best corporate governance.

The appointment and removal of the Company Secretaries are matters for the Board as a whole.

3. INDIVIDUAL ROLE AND RESPONSIBILITIES

3.1 Chairman

The Chairman leads the Board with a keen focus on governance and compliance. His roles/responsibilities include, inter alia:-

- to provide leadership to the Board and ensure the effectiveness in all aspects of its role;
- to lead in discussions at meetings and ensure efficient and effective conduct of the Board meetings;
- to encourage active participation and allow dissenting views to be freely expressed;
- to facilitate effective communication between the Board and the stakeholders; and
- to commit time necessary to discharge effectively his role as Chairman.

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3.2 Non-Executive Directors (“NEDs”) / Independent Non-Executive Directors (“INEDs”)

The duties of the NEDs/INEDs, amongst others, are as follows:-

- review Management’s corporate strategy proposal so as to provide an objective judgement to the strategic planning process and also responsible in monitoring Management’s success in implementing the strategy;
- oversee the conduct of the Company’s business and to evaluate whether the business is properly managed. The NEDs/INEDs must ensure that there are objectives in place against which Management’s performance can be measured;
- represent their interests to the Board in the case of NEDs representing substantial shareholders and to provide a balanced and independent view to the Board. In the case of INEDs, they should bring independence of judgement and objectivity to Board’s deliberations;
- acquire and provide the necessary skills and experience to bring an independent judgement on issues relating to strategies, performance and resources including key appointments and standard of conduct;
- ensure that each item of special business included in the notice must be accompanied by a full explanation of the effects of a proposed resolution; and
- NEDs/INEDs are expected to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to keep abreast of industry issues, market development and trend, and enable them to sustain their active participation in board deliberations.

3.3 Senior Independent Non-Executive Director

The Board shall appoint a Senior Independent Non-Executive Director (“**SINED**”) to address the needs and issues of concern of the investors and shareholders and NEDs. The responsibilities of the SINED shall include:-

- serve as a designated contact for consultation and direct communication with investors and shareholders on areas that cannot be resolved through normal channels of contact with the Chairman or Executive Director;

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- serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues;
- receive report(s) made by employees or external parties for the purpose of whistleblowing in the form as prescribed under the Whistleblowing Policy and Procedures, and thereafter submit the same to the Audit and Risk Management Committee Chairman with an opinion as to whether the report is frivolous or vexatious based on alleged facts;
- ensure all IDs have the opportunity to provide input on meeting agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by Management that is necessary or appropriate for the Independent Directors to perform their duties effectively; and
- consult with the Chairman regarding Board meeting schedules to ensure IDs can perform their duties responsibly and with sufficient time for discussion of all meeting agenda items.

4. BOARD'S ROLE

4.1 Duties and Responsibilities

The Board is responsible to approve the overall strategies, and business and organisational policies of the Group. The Board also sets the Group's core values and adopts proper standards to ensure that the Group operates with integrity and complies with the relevant rules and regulations.

The Board has formal schedule of matters reserved for its decision such as:-

- establishing the corporate vision and mission as well as the philosophy of the Company;
- approving corporate/strategic directions/plans and programmes;
- approving annual budgets, including major capital commitments and capital expenditure budgets;
- approving new major ventures;
- setting the aims of Management and monitoring the performance of Management;

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- overseeing and evaluating the conduct and performance of the Group's businesses;
- identifying and managing the principal risks affecting the Group;
- reviewing the adequacy and integrity of the Group's internal control systems; and
- approving a succession plan for senior management appointments.

The Chairman of the Board leads and manages discussions among Directors with diverse backgrounds, experiences, skills, perspectives and knowledge to meet the Company's unique context and requirements.

The Directors, collectively or individually, may seek independent professional advice in furtherance of their duties at the Company's expense.

5. BOARD COMMITTEES

The Board may from time to time establish Committees as is considered appropriate to assist in carrying out its duties and responsibilities. The Board delegates certain functions to the following Committees to assist in the execution of its responsibilities:-

- (i) Audit and Risk Management Committee;
- (ii) Nominating Committee; and
- (iii) Remuneration Committee.

The Committees shall operate under clear defined terms of reference. INEDs play a leading role in these Committees. Management is co-opted to the Committees as and when required. The Chairman of the respective Committees reports to the Board on the outcome of the Committee meetings and such reports or minutes will be included in the Board papers.

The Terms of Reference of the Board Committees are available on the Company's website at www.symphonylife.my.

6. INVESTOR RELATIONS AND SHAREHOLDERS' COMMUNICATION

The Board values constant dialogue and is committed to clear communications with shareholders and investors. As part of the Group's efforts to establish good investor relations, the Group continuously ensures that the dissemination of material information is

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done to promulgate timeliness, clarity, completeness and accuracy in the disclosure of information, which in turn should enable shareholders and investors to make informed investment decisions. Various channels of communication are employed to promote effective dissemination of information.

The Company communicates information to shareholders and investors through announcements that are released to Bursa Securities via Bursa LINK. Such announcements include the quarterly results, material transactions and other developments relating to the Group requiring disclosure under the Main Market Listing Requirements of Bursa Securities. Communication channels with shareholders are also made accessible via press and analyst briefings, annual reports, press releases on major developments and the Company's website at www.symphonylife.my.

The AGM is the principal forum for dialogue with shareholders. At each AGM, a presentation is given by the Chairman to explain the Group's strategy, performance and major developments to shareholders. The Board also encourages shareholders to participate in the questions and answers session at the AGM.

7. CODE OF CONDUCT AND ETHICS

The Company's Code of Conduct and Ethics ("**the Code**") is to be observed by all Directors and employees of the Group, and the core areas of conduct under the Code include the following:-

- (i) Compliance to the Law;
- (ii) Insider Trading;
- (iii) Conflict of Interest;
- (iv) Confidential and Proprietary Information;
- (v) Intellectual Property;
- (vi) Protection of Assets;
- (vii) Acceptance of Gifts;
- (viii) Additional Employment or Business Activity;
- (ix) Discrimination and Harassment; and
- (x) Misconduct.

The Board will review the Code when necessary, to ensure that it continues to remain relevant and appropriate.

The Code is made available on the Company's website at www.symphonylife.my.

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8. WHISTLEBLOWING POLICY

The Group is committed to achieving and maintaining the highest standard of work ethics, integrity and accountability in the conduct of business in line with the Group's Code of Conduct and good corporate governance practices.

As such, a Whistleblowing Policy was established to provide a platform and to act as a mechanism for all employees of the Group and all agents, vendors, contractors, suppliers, consultants and customers to channel their complaints or to provide information on fraud, wrongdoings or non-compliance to any rules or procedures by the employees or Management of the Company. The identity of the whistleblower is kept confidential and protection is accorded to the whistleblower against any form of reprisal or retribution. Any concerns raised will be investigated and a report will be provided to the Board, through the Audit and Risk Management Committee.

9. REVIEW OF THE BOARD CHARTER

The Board Charter, approved by the Board, shall be reviewed periodically and updated in accordance with new laws, regulations or relevant developments that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is made available on the Company's website at www.symphonylife.my.