**SUPERCOMNET TECHNOLOGIES BERHAD** [199001005958 (197527-H)]

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# BOARD CHARTER

## 1. Introduction

The board charter sets out the principles governing the Board of Directors ("Board") of Supercomnet Technologies Berhad. ("Company") and adopts the principles of good corporate governance and practice in accordance with applicable laws, rules and regulations in Malaysia.

The Board Charter sets out the role, functions, composition, operation and processes of the Board and is to ensure that all Board members acting on behalf of the Company are aware of theirs duties and responsibilities as Board members.

This Board Charter would act as a source reference and primary literature to provide insights to prospective Board members and senior management.

## 2. Authority

The Board derives its authority to act from the Constitution of the Company and the law and regulations governing companies in Malaysia.

## 3. Board Composition

a) The Board should comprise of executive and independent non-executive director with diverse set of skills, experience and knowledges necessary to govern the Company in an effective and efficient manner.

b) The number of directors shall not be less than two (2) and not more than fifteen (15). The appointment of directors shall be recommended by the Nominating Committee and approved by the Board.

c) At any one time, at least two or one-third (1/3), whichever is higher, of the Board members are independent directors.

d) The Board may appoint a senior independent director to whom shareholders' concerns can be conveyed if there are reasons that contact through the normal channels of the chairman or the Managing Director have failed to resolve them.

e) The positions of chairman of the Board and the Managing Director should be held by different individuals, and the chairman must be a non-executive member of the Board. The Board must comprise a majority of independent directors where the chairman of the Board is not an independent director.

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

**3. Board Composition (Continued…)**

g) Notwithstanding the recommendation of the Malaysian Code on Corporate Governance 2012 ("MCCG 2012" or "the Code"), the Board is presently of the view that there is no necessity to fix a specific gender diversity policy.

**4. Board and Management**

a) The Board may delegate its power as it considers appropriate. However, the ultimate responsibilities for strategy control rests with the Board.

b) The Board recognizes that the decision-making process is highly contingent on the quality of information furnished. As such, all Directors have unrestricted access to information pertaining to the Company and the Group.

c) The Chairman ensures that all Directors have full and timely access to information with Board papers distributed in advance of meetings. This ensures that Director have sufficient time to appreciate issues to be deliberated at the Board meeting and expedites the decision-making process.

d) There is also formal procedure sanctioned by the Board, whether as a full Board or in their individual capacity, for Director to obtain independent professional advice at the Company's expense.

e) The Directors have individual and independent access to the advice and dedicated support services of the Company Secretaries in ensuring the effective functioning of the Board. The Directors may seek advice from the Management on issues under their respective purview. The Directors may also interact directly with the Management, or request further explanation, information or updates on any aspect of the Company's operations or business concerns from them.

f) In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable it to discharge its duties in relation to matters being deliberated.

## 5. Boards Duties and Responsibilities

a) The Board plays an important role in stewardship of the Group's direction and operations, and ultimately the enhancement of long-term shareholder value. To fulfill this role, the Board will:

- At all times act honestly, fairly and diligently in all aspects in accordance with the laws, rules and regulations application to the Company.
- Ensure shareholders are kept informed of the Company's performance and major developments.
- Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- Be responsible for the overall corporate governance of the Group, including its strategic direction, establishing goals for Management and monitoring the achievement of these goals.
- Participate and final approval of Management development of corporate strategy, including setting performance objectives and approving operating budgets.
- Monitor corporate performance and implementation of strategy and policy.
- Monitor and review Management processes aimed at ensuring the integrity of financial and other reporting with the guidance of the Audit Committee.
- Ensures that succession planning of the senior Management is in place. Succession planning including appointing, training, fixing the compensation of and, where appropriate, replacing senior management
- Monitor the Board composition, processes and performance with the guidance of the Nominating Committee.
- Review and approve remuneration of Directors under the guidance of the Remuneration Committee.

b) The Board has a formal schedule of matters reserved to itself for decision, which includes, amongst others, the following: -

- Establishment of a vision and strategies for the Group in conjunction with management;
- Approval of the terms of reference and memberships of Board committee;
- Approval of the Group policies which may be developed from time to time;
- Approval of major capital expenditure projects;
- Consideration of significant financial matters; and
- The review of the financial and operating performance of the Group.

## 6. Board Meeting

a) The Board meets on a scheduled basis of at least four (4) times a year at quarterly intervals with additional meetings convened when necessary. During Board meetings, the Managing Director and members of the Management team, will table and present reports for the Board's consideration, deliberation and direction.

b) All Directors will be provided with advance written notice of Board meetings, including those called at short notice. Agenda, board papers and any other documents are made available in advance to the Board to facilitate well-informed Board deliberation and decision-making. In addition, members of the Management are frequently invited to the Board meetings to explain and clarify the items tabled to the Board.

c) Directors are required to inform the Board of conflicts or potential conflicts of interest they may have in relation to particular items of business transacted by the Group or the Company. The interested Directors should abstain themselves from discussion or decisions on matters in which they have a conflicting interest.

d) The Chairman of the Audit Committee, Remuneration Committee and Nominating Committee would inform the Board on key issues deliberated by the Board Committees at their respective meetings which require the Board's notice, direction or approval.

## 7. Delegation of Powers

a) The Board may from time to time establish committees as it considers necessary or appropriate to assist it in carrying out its responsibilities. The Board may also delegate specific function to ad hoc committees as and when required.

b) The Board has established the following committees which operate within its own specific terms of reference approved by the Board.

- Audit Committee;
- Nominating Committee;
- Remuneration Committee;
- Risk Management Committee.

c) Each committee entrusted with specific tasks and operates within clearly defined terms of reference approved by the Board. 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.

d) The respective committees' terms of reference are available for reference at the Company's website.

## 8. Audit Committee (AC)

The duties and responsibilities of the AC shall include:

a) to recommend to the Board of Directors of the Company the appointment of the External Auditors and Internal Auditors, their audit fees and any question of their resignation or;

b) to discuss the nature and scope of the audit with the External Auditors before the audit commences;

c) to review the quarterly and annual financial statements before submission to the Board of Directors for approval, focusing particularly on:-
- public announcements of results and dividend payment;
- any changes in accounting policies and practices;
- major judgmental areas;
- significant adjustments resulting from the audit;
- the going-concern assumptions;
- compliance with accounting standards; and compliance with stock exchange and legal requirements.

d) to discuss problems and reservations arising from the interim and final audits and any matters the external/internal auditors may wish to discuss (excluding the attendance of other directors and employees of the Company) ;

e) to review the internal audit programme, consider the major findings of internal audit investigations and management's response and ensure co-ordination between the Internal and External Auditors;

f) to review the adequacy of the scope, functions, competency and resources of the internal audit function and to ensure that it has the necessary authority to carry out its works;

g) to review and evaluate the adequacy and effectiveness of the Group's accounting policies, procedures and internal controls;

h) to review the appraisal or assessment of the performance of the staff of the internal audit function; to approve any appointment or termination of senior staff of the internal audit function;

i) to keep under review the effectiveness of internal control system and in particular, review External Auditors' management letter and management's response;

**8. Audit Committee (AC) (Continued…)**

j) to review any related party transactions and conflict of interest situation that may arise within the Company or Group and to monitor any inter-company transaction or any transaction between the Company and any related parties outside the Group;

k) to carry out such other functions and consider other topics, as may be agreed upon by the Board of Directors.

**9. Nominating Committee (NC)**

The NC assumes the following core responsibilities: -

a) formulating the nomination, selection and succession policies for members of the Board;

b) review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board;

c) consider the election criteria and develop procedures for the sourcing and election of candidates to stand for election by STB's shareholders ("Shareholders") or to fill casual vacancies of Directors;

d) identify and nominate candidates to the Board for it to recommend to Shareholders for election as Directors;

e) undertake an assessment of its Independent Directors annually;

f) review the training needs for the Directors regularly; and

g) establishing a set of quantitative and qualitative performance criteria to evaluate the performance of each member of the Board, each Board Committee and reviewing the performance of the Board as a whole. The criteria for assessment of Directors shall include attendance record, intensity of participation at meetings, quality of interventions and special contributions.

## 10. Remuneration Committee (RC)

The RC was established with responsibility for recommending to the Board on the remuneration framework as well as the remuneration package of Executive Directors to ensure that rewards commensurate with their contributions to the Group's growth and profitability in order to align the interest of the Directors with those of the shareholders. The Committee also ensures the level of remuneration for Non-Executive Directors and Executive Directors are linked to their level of responsibilities undertaken and contributions to the effective functioning of the Board.

The current remuneration policy of the Group is summarised as follows: -

a) The Directors' salary for Executive Directors are set at a competitive level for similar roles within comparable markets, reflect the performance of the director, skills and experience as well as responsibility undertaken.

b) Directors' Fees are based on a standard fixed fee and are subject to approval by its shareholders at the AGM.

c) Meeting Allowance – All the Directors are entitled to a fixed amount of allowance paid in accordance with the number of meetings attended during the year.

d) Benefits-in-kind – only Executive Directors of the Group are entitled to benefits-in-kind provided by the Group.

e) The RC may obtain independent professional advice in formulating the remuneration package of its Directors.

## 11 Risk Management Committee (RMC)

The RMC was established to advise the board on the company's overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment. It also assume the responsibilities to oversee and advise the board on the current risk exposures of the company and future risk strategy.

## 12. Review of Chapter

The Board charter has been reviewed and adopted by the Board on March 28, 2017.

The Board will review this Charter from time to time and make any necessary amendment to ensure they remain consistent with the Board.

Any updates to the principles and practices set out in this Charter will be available on the Company website.

Review and updated by the Board on November 20, 2026.