

MAGNA PRIMA BERHAD

(369519-P)

(Incorporated in Malaysia)

BOARD CHARTER

1. INTRODUCTION

In discharging its duties, the Board of Directors of MPB is constantly mindful of the need to safeguard the interests of the Group's shareholders, customers and all other stakeholders. In order to facilitate the effective discharge of its duties, Magna Prima Group has to ensure that it manages the business and affairs of the Company in conformity with the laws and regulations of the jurisdictions in which it operates.

The Directors of Magna Prima Berhad (MPB) regard Corporate Governance as vitally important to the success of MPB's business and are committed to apply the relevant principles to ensure that the following principles of good governance is practised in all of its business dealings in respect of its shareholders and relevant stakeholders:

To enable the Board of Directors to provide strategic guidance and effective oversight of management

To clarify the roles and responsibilities of Board members in order to facilitate the Board's accountability to the Company and its shareholders.

The Board is ultimately accountable and responsible for the performance and affairs of the Company. Thus, the Board is the focus point of the Company's Corporate Governance.

All Board members are expected to act in a professional manner, upholding the value of integrity with regard to their fiduciary duties and responsibilities.

This Board Charter shall constitute and form an integral part of each Director's duties and responsibilities.

2. OBJECTIVES

The objectives of this Board Charter are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members.

3. COMPONENTS OF THE BOARD CHARTER

The three main components of the Board Charter are:-

- The Corporate Statement;
- The Directors' Duties; and
- The Board Committees

(i) The Corporate Statement

Corporate Statement defines the objectives of the Company and the services offered to our customers. The Corporate Statement is a pledge of quality solutions to suit our customers' expectations.

(ii) The Directors' Duties

The fiduciary duties imposed on the Directors as stipulated in Section 213 (1) of the Companies Act 2016 are to protect the interests of the Company and at the same time to advance the interest of its stakeholders.

(iii) The Board Committees

The Board of the Company has established six Committees of the Board which operate within its own specific terms of reference. The Board Committees undertakes in-depth deliberation of the issues at hand before tabling its recommendations thereon to the Board. The six Board Committees are as follow:-

- Audit Committee ;
- Nomination Committee;
- Remuneration Committee;
- Employee Share Option Scheme (ESOS) Committee;
- Tender Committee; and
- Executive Committee (EXCO)

Re-appointment / Re-election of Directors

The Constitution of MPB provide that at every annual general meeting of the Company, one-third of the Directors for the time being and those appointed during the financial year shall retire from office and shall be eligible for re-election.