

# THRIVEN GLOBAL BERHAD

(Company No. 182350-H)

## BOARD CHARTER

### 1. INTRODUCTION

The Board of Directors of Thriven Global Berhad (**“the Board”**) regards corporate governance as vitally important to the success of the Company’s business and is unreservedly committed to applying the principles necessary 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:-

- The Board is the focal point of the Company’s corporate governance system. It is ultimately accountable and responsible for the performance and affairs of the Company.
- All Board members are expected to act in a professional manner, thereby upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.
- All Board members are responsible for achieving a high level of good governance.
- 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 and the various legislations and regulations affecting their conduct and to ensure that the principles and practices of good corporate governance are applied in all their dealings in respect, and on behalf of the Company.

### 3. THE BOARD

#### 3.1 Role

3.1.1 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. The Directors, collectively and individually, are aware of their responsibilities to shareholders and stakeholders for the manner in which the affairs of the Company are managed.

3.1.2 The Board meets at least once every quarter to facilitate the discharge of its responsibilities, with additional meetings convened when necessary. Members of the Management who are not Directors may be invited to attend and speak at meetings on matters relating to their sphere of responsibility.

3.1.3 Duties of the Board include establishing the corporate vision and mission as well as the philosophy of the Company, setting the aims of the Management and monitoring the performance of the Management.

3.1.4 The main functions and roles of the Board are as follows:-

- Setting and reviewing the objectives, goals and strategic plans for the Group with a view to maximising shareholders' value.
- Adopting and monitoring progress of the Company's strategies, budgets, plans and policies.
- Overseeing the conduct of the Group's businesses to evaluate whether the businesses are properly managed.
- Identifying principal risks of the Group and ensuring the implementation of appropriate systems to mitigate and manage these risks.
- Considering Management's recommendations on key issues including acquisitions, divestments, restructuring, funding and significant capital expenditure.
- Succession planning for senior management.
- Reviewing the adequacy and integrity of the Group's internal control systems and management information systems.

3.1.5 There is a schedule of matters reserved specifically for the Board's decision, including the approval of corporate plans and budgets, acquisition and disposal of major investments, changes to the management and control structure of the Company and issues in respect of key policies, procedures and authority limits.

3.1.6 The Board may seek independent professional advice in furtherance of their duties at the Company's expense.

### **3.2 Composition and Board Balance**

3.2.1 The Board consists of qualified individuals with diverse experiences, backgrounds and perspectives.

3.2.2 Under the Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**"), at least two (2) or one-third (1/3), whichever is higher, of the Board members must be Independent Directors.

3.2.3 The Independent Directors provide unbiased and independent judgement and advice.

3.2.4 The Board has appointed a Senior Independent Director, namely Mr. Lim Kok Beng to whom any concern regarding the Company may be conveyed.

3.2.5 If, on any matter discussed at a board meeting, any Director holds views contrary to those of any of the other Directors, the Board minutes will clearly reflect this.

### **3.3 Appointment of Directors**

3.3.1 The appointment of a new Director is a matter for consideration and decision by the full Board upon appropriate recommendation from the Nomination Committee.

3.3.2 New Directors are expected to have such expertise so as to qualify them to make a positive contribution to the Board performance of its duties and to give sufficient time and attention to the affairs of the Company.

3.3.3 Visits to the Group's businesses and meetings with senior management will be arranged for new Directors to facilitate their understanding of the Group.

3.3.4 Directors should notify the Chairman before accepting any new directorship in other companies. This notification should include an indication of time required to be spent on the new appointment.

### **3.4 Directors' Training**

3.4.1 In addition to the Mandatory Accredited Programme (MAP) as required by Bursa Securities, Board members are also encouraged to attend seminars and training programmes organised by the relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with the relevant changes in laws, regulations and the business environment. The Board will assess the training needs of the Directors and disclose in the Annual Report the trainings attended by the Directors.

3.4.2 The Board is also constantly updated by the Company Secretary on changes to the relevant guidelines on the regulatory and statutory requirements.

### **3.5 Tenure of Directors**

3.5.1 In accordance with the Company's Constitution, all Directors appointed by the Board are subject to re-election by the shareholders in the next Annual General Meeting ("**AGM**") subsequent to their appointment. One-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) are required to retire from office by rotation annually and subject to re-election at each AGM. All Directors shall retire from office at least once in three (3) years but shall be eligible for re-election. The Directors to retire in every year shall be those who have been longest in office since their last election or appointment.

3.5.2 Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors, shall hold office until the conclusion of the next AGM and shall then be eligible for re-election.

3.5.3 For those Independent Directors whose tenure exceeded a cumulative term of nine (9) years, the Board would provide justification and seek shareholders' approval for their re-appointment to be retained as Independent Directors at the AGM. As for those Independent Directors whose tenure exceeded a cumulative term of twelve (12) years, annual shareholders' approval through a two-tier voting process is required for retention as Independent Directors.

### **3.6 Board Meetings, Procedures and Supply of Information**

3.6.1 The Board meets regularly at least once a quarter to review financial, operational and business performances. The quorum for board meetings is two (2) Directors. Each Director shall attend at least 50% of the total Board meetings held during the year.

3.6.2 Notices and agenda of meetings together with the relevant board papers are normally given at least one (1) week prior to the meetings for the Board to study and evaluate the matters to be discussed.

3.6.3 The board papers provided include inter alia, the financial results, business plan and budget, progress report on the Company's developments, minutes of meetings of Board Committees, regulatory/statutory updates and other operational and financial issues for the Board's information and/or approval.

- 3.6.4 All proceedings of the Board, including agenda papers submitted and presentations made to the Board, will be kept confidential and will not be disclosed to any person other than Board members, except as required by law or as agreed by the Board.
- 3.6.5 The Board may conduct meetings by telephone or other electronic communication media, provided that all Board members are able to hear each other and participate in discussion.
- 3.6.6 In the intervals between board meetings, decisions and approval for urgent matters are obtained via circular resolutions, to which supporting documents and information are provided to the Board for an informed decision.

#### **4. CHAIRMAN, GROUP MANAGING DIRECTOR AND EXECUTIVE DIRECTOR**

There is a balance of power and authority between the Chairman and the Executive Directors with a clear division of responsibility between the running of the Board and the Company's business respectively. The positions of Chairman and Executive Directors are separated and clearly defined.

##### **4.1 Chairman**

4.1.1 The Chairman's primary role is to lead the Board in the oversight of Management and is responsible for ensuring the integrity and effectiveness of the governance process of the Board. The key roles of the Chairman, amongst others, are as follows:

- Provides leadership for the Board so that the Board can perform its responsibilities effectively by ensuring the Board plays a full and constructive part in the determination of the Company's strategies and policies, and that the Board decisions taken are in the best interest and fairly reflect the Board's consensus and ensure that procedures are in place to govern the Board's operations.
- Plans the Board Meeting agenda in advance alongside with the Group Managing Director and Company Secretaries and ensure that the provision of accurate, timely and clear information to the Board members. The Chairman also ensures that the Board members are properly briefed on issues arising at board meetings in a timely manner.
- Act as facilitator at Board meetings to ensure that adequate time is available for thorough deliberations of key issues and that decisions are taken on a sound and well-informed basis, including by ensuring that all strategic and critical issues are considered by the Board.
- Encourages active participation of the Board members and allows dissenting view to be freely expressed by ensuring that no Board member, whether executive or non-executive, dominates discussion, and that appropriate discussion takes place and that relevant opinion among Board members is forthcoming.
- Manages the interface between the Board and the Management by acting as the main conduit as well as develop positive relationship with the Group Managing Director.
- Acts as a spokesperson for the Board and as the main representative of the Company alongside with the Group Managing Director at the shareholders' meetings and on other occasions where key or major actions are taken or statements are made in the name of the Company to ensure appropriate steps are taken to provide effective communication with the stakeholders.

- Leads the Board in establishing and monitoring good corporate governance practices in the Company including the establishment of Board and Committees Charters, committee structure, induction as well as ongoing education programmes for directors and oversees and facilitates Board, Committee and Board Member evaluation reviews and succession planning alongside with the Chairman of the Nomination Committee.

4.1.2 Questions arising at any board meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairman shall have a second or casting vote, except that where two (2) Directors form a quorum and only two (2) Directors are present, or where there are only two (2) Directors who are competent to vote on the question at issue, the Chairman shall not have a casting vote.

#### **4.2 Group Managing Director and Executive Director**

4.2.1 The Group Managing Director and Executive Director are responsible to the Board for the overall day-to-day management of the Company. The Board gives direction and exercises judgement in setting the Company's objectives and overseeing their implementation. The key roles of the Group Managing Director and Executive Director, amongst others, are as follows:

- Developing and implementing the strategic direction of the Company.
- Recruiting and nurturing the human resources needed.
- Ensuring that the Company's business is properly and efficiently managed, financially and operationally, by implementing the policies and strategies adopted by the Board and its Committees.
- Ensuring that the objectives and standards of performance are understood by the Management and employees.
- Ensuring that the operational planning and control systems are in place.
- Monitoring performance results against plans.
- Taking remedial actions, where necessary.

4.2.2 All Board authorities conferred on the Management is delegated through the Group Managing Director and this will be considered as the Group Managing Director's authority and accountability as far as the Board is concerned.

### **5. BOARD COMMITTEES**

5.1 The Board may from time to time delegate certain responsibilities to Board Committees. The Board has delegated certain responsibilities to the various Board Committees as follows:-

- Audit and Risk Management Committee
- Nomination Committee
- Remuneration Committee

5.2 The committees shall operate under clearly defined terms of reference. The committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their terms of reference. Independent and Non-Executive Directors play a leading role in these Committees. The Chairman of the respective committees' reports to the Board on the outcome of the committee meetings and the minutes will be included in the Board Papers for Board's notification.

The Terms of Reference of each of the above committees are published on the Company's website at [www.thriven.com.my](http://www.thriven.com.my)

## **6. CONFIDENTIALITY AND DISCLOSURE OF INTEREST**

The Directors are required to act in the best interests of the Company.

The Directors also have a duty of confidentiality in relation to the Company's confidential information.

Directors should disclose to the Board:

- Any material personal interest they have in a matter which relates to the affairs of the Company; and
- Any other interest (direct or indirect) which the Directors believe is appropriate to disclose in order to avoid any conflict of interest or the perception of a conflict of interest.

The disclosure should be made as soon as practicable after the Directors become aware of their interest. Details of the disclosure must be recorded in the minutes of the meeting at which the disclosure is made or the meeting held following the disclosure.

## **7. REMUNERATION LEVELS OF DIRECTORS**

- 7.1 The Company provide a fair, reasonable and competitive remuneration for its executive directors to ensure that the Company attracts and retains high calibre executive directors who have the skills, experience and knowledge to increase entity value to the benefit of all shareholders.

The remuneration policy for executive directors is based on the achievements and contribution of each member measured against their respective Key Performance Indicators. The Board shall determine the remuneration of executive directors taking into consideration the recommendations of the Remuneration Committee.

- 7.2 For Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by each Director. The non-executive Directors will receive a fixed base fee, not by a commission or on percentage of profits/turnover, as consideration for their Board duties, attendance fee for attending meetings as well as training allowances.

The Board as a whole resolves on the fees and benefits for the Non-Executive Directors with individual Directors abstaining from decisions in respect of their individual remuneration. The aggregate amount of directors' fees and benefits to be paid to non-executive directors is subject to the approval of the shareholders at a General Meeting.

## **8. FINANCIAL REPORTING**

### **8.1 Transparency**

- 8.1.1 In presenting the annual financial statements, Annual Report and quarterly results to shareholders, the Board aims to provide a balanced and comprehensive assessment of the Group's financial position, performance and prospects.

8.1.2 The Board ensures that the financial statements are prepared so as to give a true and fair view of the financial status of the Company in accordance with the approved accounting standards. 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.

## **8.2 External Auditors**

8.2.1 The Board has established a formal and transparent relationship with the External Auditors through the Audit and Risk Management Committee. From time to time, the External Auditors will highlight matters that require further attention of the Audit and Risk Management Committee and the Board.

8.2.2 The Audit and Risk Management Committee also keeps under review the scope and results of the audit and its cost effectiveness as well as the independence and objectivity of the External Auditors.

8.2.3 The External Auditors are invited to attend the AGM of the Company and are available to clarify and answer shareholders' queries on their conduct of the audit or on the audited financial statements.

8.2.4 Appointment of the External Auditors is subject to approval of shareholders at general meeting of the Company. The External Auditors have to retire during the AGM of the Company every year and be re-appointed by shareholders for the ensuing year.

## **8.3 Internal Controls and Risk Management**

8.3.1 The Company has an outsourced internal audit function, which reviews all aspects of the Company's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditure and internal controls of the Company are undertaken on a regular basis.

8.3.2 The Board ensures the system of internal controls is reviewed on a regular basis.

8.3.3 The Audit and Risk Management Committee receives reports regarding the outcome of such reviews on a regular basis.

## **9. AGM**

9.1 The Board regards the AGM as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from the Company's shareholders. A summary of the key matters discussed at AGM will be published onto the Company's website as soon as practicable after the conclusion of the AGM.

9.2 The Chairman encourages active participation by the shareholders during the AGM. Any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, to be voted by poll. At least one (1) scrutineer will be appointed to validate the vote cast at the general meeting.

## **10. INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION**

- 10.1 The Company adopts a communication policy that enables the Board and Management to communicate effectively with shareholders and the public.
- 10.2 The Board values constant dialogue and is committed to clear communication with shareholders and investors.
- 10.3 The Company communicates information to shareholders and the investing community through the Annual Report and announcements that are released to Bursa Securities. Such announcements include the quarterly results, material transactions and other developments relating to the Group requiring disclosure under the Listing Requirements of Bursa Securities.
- 10.4 In addition to published Annual Report sent to all shareholders and quarterly results announced to Bursa Securities, the Company has established a website at [www.thriven.com.my](http://www.thriven.com.my) from which investors and shareholders can access for information.
- 10.5 While the Company endeavours to provide as much information as possible to its shareholders and stakeholders, it is mindful of the legal and regulatory framework governing the release of material and price-sensitive information.

## **11. COMPANY SECRETARY**

- 11.1 The Company Secretary plays a vital advisory role to the Board and Committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and the Group.
- 11.2 The Board has access to all information relating to the Group and to the advice and services of the Company Secretary who is responsible for ensuring that board meeting procedures are followed and that applicable rules and regulations are complied with.

## **12. REVIEW OF BOARD CHARTER**

This Board Charter shall be adopted by the Board and will be made available for reference on the Company's website, [www.thriven.com.my](http://www.thriven.com.my)

The Board will review this Charter from time to time and make the necessary amendments to ensure that it remains consistent with the Board's objective, current law and practices.