



## **Matrix Concepts Holdings Berhad**

Company Registration No: 414615(U)

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### **BOARD CHARTER**

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## **1. Preamble**

This Board Charter sets out general guiding principles of corporate governance to assist the Board of Directors of Matrix Concepts Holdings Berhad. The Board must act according to its obligations under the specific circumstances it faces; therefore, occasions may arise where it is appropriate for the Board to act differently than set out in this Charter. However, the Board is guided by the core principles of board leadership and effectiveness, effective audit, and risk management as well as integrity in corporate reporting and meaningful relationship with stakeholders towards promoting business prosperity and corporate accountability with the ultimate objective of realizing long-term shareholders' value while taking into account the interest of other stakeholders. It is with the aim of enshrining the Principles and Recommendations of corporate governance as promulgated by the Malaysian Code on Corporate Governance 2021, relevant chapters of the Listing Requirements of Bursa Malaysia Securities Berhad that this Board Charter is established.

Whilst the Charter serves as a reference point for the activities of the Board of Directors and its Committee, it should not be construed as a blueprint for Board operations. Just as each organization has its own corporate culture, the dynamics of the Board are unique. The dynamics may shift as the composition of the Board changes, and Directors of the Company should always be open to new opportunities and ready to confront new challenges brought about by the changes.

This Charter is designed to provide guidance and clarity for Directors and Management with regards to the role of the Board and its Committee, the requirements of Directors in carrying out their stewardship role and in discharging their fiduciary duties towards the Company as well as the Board's operating practices.

This document is under the custody of the Company Secretary and shall be reviewed at least once every three (3) years for updates, where relevant.

In no way is the use of "he," "his," and "him" meant to trivialize the role of women. For simplification, male terms (e.g. "he" and "him") appear throughout the Charter and the reader is welcome to substitute "she" for "he," "hers" for "his," and "her" for "him" as the case may be.

## **2. Interpretation**

In this Charter:

“AC” means Audit Committee of MCHB

“Board” means the Board of Directors of MCHB

“Bursa Securities” means Bursa Malaysia Securities Berhad

“Business” means the business of the Company and all its subsidiaries

“GMD” means the Group Managing Director of the Company

“Chairman” means the Chairman of the Board and is used in a gender-neutral sense

“Charter” means the Board Charter of Matrix

“CG Code” means the Malaysian Code on Corporate Governance 2021

“Company” or “Matrix” means Matrix Concepts Holdings Berhad

“Company Secretary” means the secretary or the person(s) normally exercising the functions of a Company Secretary under Section 235 of the Companies Act 2016

“Independent Director” means “Independent Non-Executive Director” is defined in accordance with Paragraph 1.01 and Practice Note 13 of the Bursa Securities Main Market Listing Requirements. An Independent Director is one who is independent of Management and free from any business or other relationship, which could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company. Without limiting the generality of the foregoing, an Independent Director is one who:

- (a) is not an Executive Director of the Company or any related corporation of the Company or MCHB;
- (b) is not a family member of any Executive Director, officer or major shareholder of the Company or any related corporation of the Company. For this purpose, “family member” means the spouse, parent, brother (and his spouse), sister (and her spouse), child, adopted child or step child (including their respective spouses);
- (c) has not been within the last 2 years and is not an officer (except as a Non-Executive Director) of the Company or any other related corporation of the Company. For this purpose, “officer” has the meaning given in Section 2 of the Companies Act 2016;
- (d) is not a major shareholder of the Company or any related corporation of the Company;
- (e) is not acting as a nominee or representative of any Executive Director or major shareholder of the Company or any related corporation of the Company;
- (f) has not been engaged as an adviser by the Company or any related corporation of the Company under such circumstances as prescribed by Bursa Securities or is not presently a partner, Director (except as an Independent Director) or major shareholder, as the case may be, of a firm or corporation which provides professional advisory services to the Company or any related corporation of the Company under such circumstances as prescribed by Bursa Securities; or

- (g) has not engaged in any transaction with the Company or any related corporation of the Company under such circumstances as prescribed by Bursa Securities or is not presently a partner, Director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the Company) which has engaged in any transaction with the Company or any related corporation of the Company under such circumstances as prescribed by Bursa Securities.

In respect of paragraph (e) above, a nominee means a person who has been designated to act for another in his or her place. It denotes a person who is accustomed, or is under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of another person.

“Listing Requirements” means Bursa Securities Main Market Listing Requirements

“Management” means the management personnel of the Company

“MCCG 2021” means the Malaysian Code on Corporate Governance 2021

### **3. Introduction**

The Board of Matrix adopts this Charter to outline the manner in which its constitutional powers and responsibilities of the Board will be exercised and discharged, having regard to principles of good corporate governance, best practices and applicable laws.

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

### **4. ROLES AND RESPONSIBILITIES**

#### **4.1 Role of Board**

In discharging its responsibilities and facilitating its on-going oversight of Matrix and its subsidiaries (the "Group"), the Board has agreed its role includes, but is not limited to the following matters: -

##### **4.1.1 Ethics and Compliance**

- i) The Board is charged with leading and managing the Group in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Company. The Directors are, collectively and individually, aware of their responsibilities for the manner in which the affairs of the Company are managed. The Board sets the Group's values and standards and ensures that its obligations shareholders are understood and met.
- ii) All Directors observe high ethical business standards, honesty and integrity and apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its stakeholders.
- iii) The Board understands that the responsibility for good corporate governance rests with it them and therefore strives to comprehend and apply the principles and practices stated in the Malaysian Code on Corporate Governance ("CG Code").
- iv) The Board shall oversee and ensure a sustainable anti-corruption and anti-bribery practices which includes the appropriate business ethics and compliance, which provide the necessary leadership, resources, and support to implement the said practices.
- v) The Board meets at least once every quarter to facilitate the discharge of its responsibilities. 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.
- vi) The Board establishes 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.
- vii) The Board oversees the business and affairs of the Company and assumes, amongst others, the following duties, and responsibilities in meeting the goals and objectives of the Company: -

- a) reviewing, approving, and monitoring the overall strategies and direction of the Group and to ensure that the strategic plan of the Company supports long term value creation and includes strategies on economic, environmental, and social considerations underpinning sustainability;
- b) overseeing and evaluating the conduct and performance of the Group's businesses, including its control and accountability systems;
- c) together with senior management, promoting good corporate governance culture within the Company which reinforces ethical, prudent, and professional behaviors;
- d) identifying, understanding, and managing principal risks affecting the Group and to recognize that business decisions involve the taking of appropriate risks;
- e) reviewing the adequacy of the Group's internal control policies;
- f) providing input into and final approval of the annual operating budget;
- g) approving major capital expenditure, capital management and acquisitions/divestitures;
- h) reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosure, legal compliance, and other significant corporate policies;
- i) ensuring that senior management has the necessary skills and experience, and there are measures in place to provide for the orderly succession of Board and senior management; and
- j) ensuring the integrity of the Company's financial and non-financial reporting.

#### **4.1.2 Policies and Strategies**

- i) The Board has established written procedures (such as the Constitution of the Company and other policies) determining which issues require a decision of the Board and which issues can be delegated to Board Committees or the Management.
- ii) The Board oversees the Company's policies. This includes the Code Conduct for Directors and Employees, Anti-Bribery Anti-Corruption Policy ("ABAC"), Directors' Conflict of Interest, Whistleblowing Policy, No Gift Policy (Anti-Corruption) and other significant policies recommended under CG Code. The Code of Business Conduct and Ethics promotes ethical values and standards in the workplace while ensuring appropriate internal systems are in place to support, promote and ensure its compliance. The Whistleblowing Policy sets the appropriate communication channels to facilitate whistleblowing by employees, customers, suppliers, and other stakeholders.

- iii) The Board reserves full decision-making powers, amongst others, on the following matters (save to the extent that the Board resolves that determination and/or approval of any such matter shall be delegated to the Board Committees or Management): -
- a) Conflict of interest issues relating to a major shareholder or a director.
  - b) Material acquisitions and disposals of undertakings and properties not in the ordinary course of business.
  - c) Material investments in capital projects.
  - d) Annual budgets (including major capital commitments).
  - e) Material corporate or financial exercise/restructuring; and
  - f) Declaration of dividend and Directors' fees and benefits.

#### **4.2 Role of Individual Directors**

Directors are expected to comply with their legal, statutory, and equitable duties and obligations when discharging their responsibilities as Directors. Broadly these include: -

- i) acting in good faith and in the best interests of the Company as a whole and for a proper purpose.
- ii) acting with care and diligence of reasonable person subject to business judgement rule.
- iii) avoiding conflicts of interest with the Company in a personal or professional capacity.
- iv) refraining from making improper use of information gained through the position of Director and from taking improper advantage of the position of Director.
- v) disclosure of and abstaining from voting on matters of material personal interest; and
- vi) compliance with corporation laws, securities legislation, and Listing Requirements.

Directors will keep all Board information, discussions, deliberations, and decisions that are not publicly known confidential and not use information gained through the Board for their interest, or their employers' interest.

The Director may appoint Alternate Director and the governance of the Alternate Director is via the principal Director in accordance with the provisions of the Constitution and/or Companies Act 2016 and generally to exercise all the powers, rights, duties and authorities as well as to perform all functions of the Director appointing him.

### **4.3 Role of Senior Independent Non-Executive Director**

The Board may appoint a Senior Independent Non-Executive Director to whom concerns pertaining to the Group may be conveyed by stakeholders. The duties of Senior Independent Director would typically include the following: -

- i) Ensure all Independent Directors have an opportunity to provide input on the 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;
- ii) Consult the Chairman regarding Board meeting schedules to ensure the Independent Directors can perform their duties responsibly and with sufficient time for discussion of all agenda items;
- iii) Serve as the principal conduit between the Independent Directors and the Chairman on sensitive issues, for example issues that arise from 'whistleblowing'; and
- iv) Serve as a designated contact for consultation and direct communication with shareholders and other stakeholders on areas that cannot be resolved through the normal channels of contact with the Chairman or GMD or Chief Executive Officer (Property Development) ("CEO") or Chief Finance Officer ("CFO").

### **4.4 Role of Chairman and Group Executive Deputy Chairman ("GEDC")**

4.4.1 The Chairman coupled with Group Executive Deputy Chairman leads the Board and are responsible for the effective performance of the Board.

4.4.2 The Chairman and Group Executive Deputy Chairman are responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The Chairman is, amongst others, responsible for: -

- a) Monitor the workings of the Board, especially the conduct of Board meetings;
- b) Ensure that all relevant issues for the effective running of the Company's business are on the agenda;
- c) Ensure that quality information to facilitate decision-making is delivered to Board members on a timely basis;
- d) Encourage all Directors to play an active role in Board activities and allow dissenting views to be freely expressed;
- e) The chairman shall chair general meetings of shareholders;
- f) Provide guidance and mentoring to the GMD & CEO, if necessary;



- g) Ensure the process of Board evaluation is conducted;
- h) Ensure appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
- i) Leading the Board in establishing and monitoring good corporate governance practices in the Company; and
- j) Fulfil such other responsibilities as are allocated by the Constitution from time to time;

4.4.3 The Chairman ensures that Executive Directors look beyond their executive functions and accept their full share of responsibilities on governance.

### 4.5 Role of GMD

- i) The GMD is primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective operation of the Group.
- ii) The GMD is responsible for the development and implementation of the strategies for the Group and setting the overall strategic policy and direction of the Group's business operations based on effective risk management controls.
- iii) The GMD ensures that the financial management practice is performed at the highest level of integrity and transparency and that the business and affairs of the Group are carried out in an ethical manner and in compliance with the relevant laws and regulations.
- iv) The GMD provides effective leadership to the Group and is responsible for ensuring high management competency and that an effective management succession plan is in place to sustain continuity of operations.
- v) The GMD is the conduit between the Board and the Management in ensuring the success of the Company's governance and management functions.

### 4.6 Role of Board Committees

The Board appoints the following Board Committees with specific Terms of Reference: -

- Audit Committee (AC);
- Risk Management Committee (RMC);
- Nomination Committee (NC); and
- Remuneration Committee ("RC")
- Sustainability Committee ("SC")

These Committees are designed to consider specific matters and make recommendations to the Board. The Board must make an independent assessment of the recommendations, having regard to the Board's knowledge of the business and risks of the Company and the complexity of the structures and operations of the Company.

The Board may from time to time establish other committees to streamline the discharge of its responsibilities. Each Committee's role has been spelt out in written Terms of Reference approved by the Board. The Board should assess the performance of Audit Committee members on an annual basis and the others every 2 years. These assessments can be used to facilitate the NC evaluation of Board Committees' performance.

Independent Non-Executive Directors play a leading role in these Committees. The Chairman of the various Committees will report to the Board on the outcome of the Committee meetings.

## **5. COMPOSITION AND BOARD BALANCE**

### **5.1 Size and Composition**

- i) The Board consists of qualified individuals with diverse experiences, ethnicity, gender, age, backgrounds, and perspectives. The composition and size of the Board is such that it facilitates the making of informed and critical decisions. The Constitution of the Company provides that there will be a minimum of 2 Directors and a maximum of 9 Directors.
- ii) At any one time, at least 2 Directors or 1/3 of the Board members, whichever is higher, are Independent Directors. If the chairman is a non-independent director, then the composition of independent director shall be at least 50% of the Board members.
- iii) The roles of the Chairman and GMD of Matrix are distinct. The distinct and separate roles of the Chairman and GMD, with a clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.
- iv) The views of the Management are represented at meetings of the Board by the presence of the GMD & CEO and other senior executives when required.
- v) If, on any matter discussed at a Board meeting, any Director holds views contrary to those of any of the other Directors, this will be clearly reflected in the Board minutes.
- vi) Should there be any vacancy arising in the Board that result in non-compliance with the MMLR or the ACT, such vacancy shall be filled up within 3 months.

### **5.2 Nomination and Appointments**

- i) The appointment of a new Director is a matter for consideration and decision by the Board on appropriate recommendation from the NC.
- ii) The Company Secretary has the responsibility of ensuring that relevant procedures relating to the appointment of new Directors are properly executed.
- iii) Upon the appointment of a new Director, the Company Secretary advises the Director of his/her principal duties and responsibilities and explains the restrictions to which he or she is subject to in relation to price-sensitive information and dealings in the Company's securities.

- iv) The Company has adopted educational/ training programs to update the Board in relation to new developments pertaining to the laws and regulations and changing commercial risks which may affect the Board and/or the Company.
- v) The directorships held by any Board member at any one time shall not exceed 5 in listed companies or such other numbers prescribed by the relevant regulatory bodies.

### 5.3 Re-election and Re-appointment

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to re-election by shareholders at the first opportunity after their appointment. The Constitution also provides that at least 1/3 of the remaining Directors be subject to re-election by rotation at each AGM provided always that all Directors including the Managing Director (if any) shall retire from office at least once every 3 years but shall be eligible for re-election. Such rotation shall exclude directors that are appointed during the year arising from casual vacancy.

### 5.4 Independent Director

- i) An Independent Director is independent of management and free of any significant business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of his unfettered and independent judgement, and who otherwise meets the criteria for independence.
- ii) The Independent Directors provide independent judgement, experience, and objectivity without being subordinated to operational considerations.
- iii) The Independent Directors help to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed considered by the Board and that the relevant issues are subject to objective and impartial consideration by the Board.
- iv) The views of the Independent Directors should carry significant weight in the Board's decision-making process.
- v) The Board undertakes to assess the independence of the Independent Directors on an annual basis or when any new interest or relationship develops.

### 5.5 Tenure of Independent Director

The tenure of an Independent Non-Executive Director should not exceed a cumulative term limit of 9 years and without any further extension.

### **5.6 Time Commitment for Accepting New Directorships**

Directors are expected to have such expertise to qualify themselves 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. The Directors shall notify the Chairman before accepting any new directorship and the notification via Fit and Proper Declaration Form shall include the indication of time that will be spent on the new appointment.

## **6. PERFORMANCE**

### **6.1 Directors' Assessment/ Board Evaluation**

The Board recognizes the importance of assessing the effectiveness of individual Directors, the Board as a whole and its Committees. The Board, through the NC, reviews and evaluates its own performance and the performance of its Committees on an annual basis.

### **6.2 Directors' Training and Development**

In addition to the mandatory programs as required by Bursa Securities for newly appointed Director, Board members are encouraged to attend training programs conducted by highly competent professionals and which are relevant to the Group's operations and business.

The Board will assess the training needs of the Directors and ensure Directors have access to continuing education program. The Board shall disclose in the Annual Report the education program or trainings attended by the Directors.

## **7. MEETINGS**

### **7.1 Board Meetings**

- i) Meetings of the Board should be held at least five (5) times per year to ensure that all Directors are kept informed on a timely basis of all material quality information affecting the Company and, in a form, and manner appropriate for them to discharge their duties effectively, or as frequently as required;
- ii) The Management is responsible for providing the Board with the required information in an appropriate and timely manner. The Chairman, assisted by the Company Secretary, assesses the type of information required to be provided to the Board. If the information provided by the Management is insufficient, the Board will make further enquiries where necessary to which the people responsible will respond as fully and promptly as possible;
- iii) A full agenda and comprehensive Board papers are circulated to all Directors at least 5-7 days in advance of each Board meeting;

- iv) The Board papers may include amongst others, the following; -
  - i. Group Financial Results Review and Quarterly financial report;
  - ii. Minutes of previous meetings;
  - iii. Reports on Related Party Transactions and Recurrent Related Party Transactions, if any;
  - iv. List of Directors' Circular Resolutions duly signed;
  - v. Summary of dealings by Directors and principal officers;
  - vi. Report on substantial shareholders, if any;
  - vii. Risk Review Reports; and
  - viii. Full Board minutes of each Board meeting are kept by the Company Secretary and are available for inspection by any Director during office hours.

## **7.2 Circulating Resolutions**

Decisions or resolutions of the Board are normally reached at a meeting. However, Matrix's Constitution also provides for the passing of resolutions by way of circular resolution without having to hold an actual meeting.

Urgent matters that cannot wait until the next Board meeting can be dealt with by a circulating resolution. Where a decision is to be passed by circular resolution, the following will be observed: -

- i) The subject matter in the circular resolution is not contentious in nature and material proposal will be deliberated in advance at Board meeting before any circular resolution is subsequently circulated.
- ii) Relevant information and documentation (i.e. contract, declaration of interest by director) pertaining to the resolution to be passed should be attached to the circular resolution, which is circulated to the Directors, to enable the Directors to make an informed decision.
- iii) Circular resolutions, which do not require the signature of all Directors as provided in the Constitution, should still be circulated to the entire Board. This is to ensure that the Board is aware of decisions that are being made.
- iv) At Board meetings, circular resolutions, which have been passed shall be noted at the next available meeting.

## **8. REMUNERATION POLICIES**

- i) The Board, through the RC, shall establish a formal and transparent remuneration framework for Directors. The remuneration framework shall be appropriate to attract and retain the services of Directors.
- ii) The fees and benefits payable to the Directors shall from time to time be determined by an ordinary resolution of the Company in a general meeting and shall (unless such resolution otherwise provides) be divisible among the Directors as they may agree.
- iii) The Directors shall be paid meeting allowance for covering their expenses incurred in attending board meetings of the Company.
- iv) The RC is responsible for reviewing the remuneration package and making recommendations on the same to the Board for approval. In its review, the RC considers various factors, among others, including the compensation levels for comparable positions among other similar public listed companies, Director's fiduciary duties, time commitments expected of them and the Group's performance.
- v) The review of the Directors' remuneration will be carried out by the RC on an annual basis for the approval of the Board prior to recommending the Directors' fees and benefits for shareholders' approval at the annual general meeting of Matrix.

## **9. ACCESS TO INFORMATION AND INDEPENDENT ADVICE**

- i) Directors may access such information and seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgment in decision making, at the Company's expense.
- ii) Directors will be entitled to: -
  - a) access to the GMD, Company Secretary, and other members of the senior management at any time to request relevant and additional information or seek explanations;
  - b) have access to internal and external auditors, without management present to seek explanations or additional information; and
  - c) seek independent professional advice with the Chairman's prior consent, which will not be unreasonably withheld or delayed, and which will be at the Company's expense.

## **10. FINANCIAL REPORTING**

### **10.1 Transparency**

- i) The Company aims to present a clear and balanced assessment of the Company's financial position and price-sensitive information and other relevant reports submitted to regulators.

- ii) The Directors ensure that the financial statements are prepared to give a true and fair view of the current financial status of the Company in accordance with the Malaysian Financial Reporting Standards, Financial Reporting Standards, and provisions of the Companies Act, 2016.
- iii) The Company's practice is to announce to Bursa Securities its quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period.
- iv) The Auditors' Report shall contain a statement from the Auditors explaining their responsibility in forming an independent opinion, based on their audit, of the financial statements.

## **10.2 Company's External Auditors**

- i) The Board has established formal and transparent arrangements for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the External Auditors through its Audit and Risk Management Committees.
- ii) The Audit and Risk Management Committees also keep under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the External Auditors. The Company ensures that the External Auditors do not supply a substantial volume of non-audit services to the Company.
- iii) Re-appointment of the External Auditors is subject to approval of shareholders at General Meetings. The External Auditors must retire during the AGM every year and be re-appointed by shareholders for the ensuing year.

## **11. STAKEHOLDER COMMUNICATIONS**

### **11.1 Investor Relations**

The Board shall maintain an effective communications policy that enables both the Board and Management to communicate effectively with shareholders, stakeholders and the general public.

Communication with stakeholders can be achieved through various means which include:

- Establishing an investor relation function;
- Conducting engagement forums;
- Organizing investor, analyst and media briefings;
- Use of electronic means (e.g. website, social media, etc.) ;and
- Use of newsletters, bulletins etc

The Board acknowledges the need for stakeholders to be informed of all material business matters affecting the Company and as such adopts an open and transparent policy in respect of its relationship with its shareholders and investors as follows:-

- i) The Board ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements made during the year.
- ii) The Company meets financial analysts from time to time as a means of effective communication that enables the Board and Management to convey information relating to the Company's performance, corporate strategy and other matters affecting shareholders' interests.
- iii) The Company leverages information technology for effective dissemination of information. The Company's website provides easy access to corporate information pertaining to the Company and its activities and is continuously updated.
- iv) The Board looks to Senior Management to speak on behalf of Matrix and to manage the communication of information to shareholders, investors, other stakeholders and the public in an orderly and effective manner while adhering, at all times, to relevant laws and regulatory requirements. The Board authorizes its Chairman/GMD (or his/her nominated person) to be the official spokesperson for Matrix.
- v) The Board has corporate disclosure policies and procedures to ensure comprehensiveness, accuracy and timeliness. These procedures shall ensure compliance with the relevant disclosure requirements as spelt out in the Listing Requirements.
- vi) The Company shall deploy the use of information technology in communicating with shareholders, including a dedicated section for Corporate Governance on the Company's website. This section shall provide information such as, amongst others, the Annual Report Board Charter, Code of Conduct and Ethics, minutes of general meetings and all relevant policies and procedures where applicable.

#### **11.2 Annual General Meeting (AGM)**

It is the role of the Board to ensure that the AGM and all general meetings of the Company are conducted in an efficient manner and serve as a crucial mechanism in shareholder communications. This includes the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the general meeting. The Board shall focus its efforts to enhance the value of the general meeting in the following manner:-

- i) Ensure that each shareholders shall be entitled to receive no less than 28 days' written notice of all general meetings specifying the date, time and place of the meeting and the business to be transacted;
- ii) Ensure that each item of special business included in the notice is accompanied by a full explanation of the effects of the proposed resolution along with any background information and reports or recommendations that are relevant;
- iii) Ensure that all Directors attend the general meeting and having the Chair of Board Committees being present and allow shareholders to raise questions and concerns directly to those responsible;



- iv) For re-election and re-appointment of Directors, ensure that the notice of meeting states which Directors are standing for election or re-election with a brief description to include matters such as age, relevant experience, conflict of interests, if any, date of appointment to the Board, number of times of attendance at Board meetings and the fact a particular Director is independent, if relevant;
- v) Ensure that the Chairman provides reasonable time for discussion at the meeting upon presentation of the Company's operations in the financial year and future prospects of the Company. Where appropriate, the Chairman shall also undertake to provide the inquirer with a written response to any significant question which cannot be answered immediately;
- vi) Ensure that all resolutions to be voted on are carried out by poll and announce the details results depicting the votes cast for and against each resolution, including abstentions, ;
- vii) In facilitating greater shareholders participate at the general meeting, the Company shall leverage on technology to facilitate electronic voting and remote shareholder participation;
- viii) Ensure that there is a channel of communication through the Company Secretary on feedback and queries from shareholders;
- ix) Ensure that the Chairman of the Board shall be the Chairman of all shareholders' meeting;.
- x) Ensure that complete minutes of the general meeting detailing the meeting proceedings be uploaded to the Company's website not later than 30 business days after the completion of the AGM

### 11.3 Other Stakeholders

While pursuing the vision and mission of the Group, the Board recognizes that no company can exist by maximizing shareholders' value alone. In this regard, the needs and interests of other stakeholders are also taken into consideration.

### 11.4 Employees

The Board acknowledges that the employees are invaluable assets of the Group and play a vital role in achieving the vision and mission of the Group.

The Group adopts documented policies and procedures with respect to the following: -

- i) Occupational safety and health with the objective of providing a safe and healthy working environment for all employees; and
- ii) Industrial relations with the objective of managing employees' welfare and well-being in the workplace.

## **12. SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITIES**

### **12.1 Sustainability**

The Board recognizes that the Group's nature of business has direct and indirect impacts on the stakeholders of the Group. To better manage the environmental, social and governance risks, progressing in a way that delivers a decent rate of return, as well as wider environmental and social benefits and greater accountability, the Board will consider the needs and expectations of its stakeholders wherever practicable, in accordance with the Company's commitment to operate in a sustainable way.

The sustainability value is strongly embedded into the Matrix's Vision, Core Values, policy statements and work practices across the operations of the Group. The Board approves and the Sustainability Committee with the support of the CEO and other senior management monitors the overall sustainability strategies and direction of the Group to ensure long-term value creation. The following policies that have been drawn up to support the sustainability initiatives are reflective of the Group's long-standing commitment to give back to its business associates, employees, surrounding communities and the environment, which serve as a support system as well as a base to its business operations:-

- i) Sustainable Supply Chain Policy
- ii) Sustainable Procurement Policy
- iii) Policy Statement: Climate Change

The Group supports social causes and initiatives on community development projects as part of Corporate Social Responsibilities.

### **12.2 Environment**

The Board acknowledges the need to safeguard and minimize the impact on the environment while achieving the Group's vision and mission. The Board shall take into account the climate change considerations in its operations to create sustainable value.

The Group adopts documented policies and procedures as part of its commitment to protect, rehabilitate and preserve the environment. The Group supports initiatives on environmental issues to reduce impact to the environment.

## **13. COMPANY SECRETARY**

- i) The Board appoints the Company Secretary, who plays an important advisory role, and ensures that the Company Secretary fulfils the functions for which he or she has been appointed;
- ii) The Company Secretary is accountable to the Board through the Chairman of the Board and Committees on all governance matters and shall ensure the Company apply corporate governance practices to meet the Board's needs and stakeholders' expectations;

- iii) The Company Secretary serve as a focal point for stakeholders' communication and therefore, is a central source of information and advice to the Board and its Committees on issues relating to compliance with company laws, rules, procedures, and regulations relating thereto affecting the Group;
- iv) The Company Secretary shall provide unhindered advice to the Board and enhance the effective functioning of the Board and ensure regulatory requirements are well-complied;
- v) The Board members have unlimited access to the professional advice and services of the Company Secretary.

## **14. CONFLICTS OF INTERESTS**

As a general principle each Director must bring an enquiring, open and independent mind to Board meetings, listen to the debate on each issue raised, consider the arguments for and against each motion and reach a decision that he or she believes, to be in the best interests of the Company if there is conflict of interest :-

- i) Directors must: -
  - a) disclose to the Board (through the Company Secretary) any actual, perceived or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue;
  - b) take any necessary and reasonable measures to try to resolve the conflict; and
  - c) comply with the provisions of Companies Act 2016 and Main Market Listing Requirements of Bursa Securities on disclosing interests and restrictions and Directors Conflict of Interest Policy.
- ii) An actual, potential or perceived conflict of interest shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in good faith and with due honesty.
- iii) For the purpose of the above-mentioned paragraphs, the Directors shall perform an annual self-declaration on independence (i.e. for Independent Non-Executive Directors) and annual/ad hoc declaration of shareholding, including related party transactions and/or conflict of interest situations, if any, for the Company's records (i.e. for all Directors).
- iv) Directors are expected to advise the Company Secretary of any proposed Board or executive appointment to other companies as soon as practicable to ensure due compliance is met.

## **15. DEALINGS IN SECURITIES**

“Dealings” includes any one or more of the following actions, whether undertaken as principal or as agent:-

- a) acquiring or disposing of securities or any interest in securities.
- b) subscribing for or underwriting securities.
- c) making or offering to make with any person, or inducing or attempting to induce any person to enter or to offer to enter –
  - any agreement for or with a view to acquiring or disposing of securities or any interest in securities;
  - any agreement for or with a view to subscribing for or underwriting securities; or
  - any agreement the purpose or avowed purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the values of securities.
- d) granting, accepting, acquiring, disposing of, exercising, or discharging an option (whether for the call or put or both) or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in securities;
- e) a Director must not deal in the securities of Matrix if he is in possession of price-sensitive information relating to such listed securities. “Price-sensitive information” means information that “on becoming generally available would or would tend to have a material effect on the price or value of securities” as referred to in Section 185 of the Capital Market Services Act, 2007; and
- f) relevant disclosure of the company via the company secretary is required should there be any dealing of securities occurred.

## **16. RISK GOVERNANCE OR MANAGEMENT FRAMEWORK**

### **16.1 Internal Control and Risk Management**

The Board shall set the level of risk tolerance for the Company’s business to reflect the long-term corporate strategies of the Company. The risk tolerance levels determined by the Board shall be embedded into the Company’s risk culture which serves as guidance in decision-making processes for both strategic and operational matters.

Risk management within the Company allows for risks to be identified, measured and treated in the context of the Company’s risk culture. Risk management shall be applied consistently throughout the Company.

The Board shall periodically review the risk management and internal control framework that articulates, implements and monitors key business risks to safeguard the shareholders and Company. As an enhancement, the Board established a Risk Management Committee which comprises of a majority of Independent Directors to oversee the Company's risk management and internal control framework and policies.

The Board shall periodically review the risk positioning of the Company and ensure it lies within the range of risk tolerance levels determined by the Board. Risk management should be included in the meeting agenda of the Board as a standing item, for the Board to deliberate on key risks which could have a substantial impact on the sustainable performance or development of the Company.

The Board shall attend to the following internal control and risk management processes:-

- i) The Board oversees, reviews, and monitors the operation, adequacy and effectiveness of the Group's system of internal controls.
- ii) The Board defines the risk appetite, approving and overseeing the operation of the Group's Risk Management and Internal Control Framework, assessing its effectiveness, and reviewing any major/significant risks facing the Group.
- iii) The Group has a well-resourced internal audit function, which critically reviews all aspects of the Group's activities and its internal controls. Comprehensive audits of the practices, procedures, expenditure and internal controls of all business and support units and subsidiaries are undertaken on a regular basis.
- iv) The Group encourages the reporting of unlawful or unethical behaviors and ensures employees and management are protected where such reporting is made in good faith.

## 17. CONSTITUTION AND MANAGEMENT LIMITS

The Board operates pursuant to the powers conferred by the Company's Constitution, including any changes thereof as approved by shareholders at a general meeting.

Management is expected to act within all specific authority delegated to it by the Board as per Matrix's **Authority Limits**. Management is expected not to cause or permit any practice, activity or decision that is contrary to commonly accepted good business practices or professional ethics.

## 18. CODE OF BUSINESS CONDUCT AND ETHICS

The Directors are expected to conduct themselves with the highest ethical standards. All Directors and employees are expected to always behave ethically and professionally and thereby protect and promote the reputation and performance of the Company.

Matrix has in place Code of Conduct for Directors and Employees which is formulated to enhance the standard of corporate governance and behavior through: -

- i) Establishing standards of ethical conduct for Directors and Employees based on acceptable beliefs and values;
- ii) Upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing Matrix; and
- iii) Document and emphasize to the Director and employees, the integral obligation of each Director/Employee in performing his/her duty, to act in a manner that is lawful, honest, ethical, and free from any conflict of interest or perceived conflict of interest.

## 19. ANTI CORRUPTION & WHISTLEBLOWING POLICY

The Group is committed to achieving and maintaining the highest standard of work ethics in the conduct of business in line with Matrix's Code of Business Conduct and Ethics, Anti-Bribery Anti-Corruption Policy ("ABAC"), Whistle Blowing ("WB") Policy and all policies within the organization on good corporate governance practices are being adhered to.

The Group encourages its employees to raise genuine concerns about possible improprieties in matters of financial reporting, compliance, suspected violations of ABAC Policy to disclose any improper conduct or other malpractices within the Group (i.e. whistleblowing) in an appropriate way.

The ABAC and WB policy are to provide an avenue for all employees, agents, vendors, contractors, suppliers, consultants and customers of the Group and members of public to raise concerns about any improper conduct within the Group without fear of retaliation and to offer protection for such persons (including the employees of the Group) who make legitimate reports.

## 20. APPLICATION

- i) The principles set out in this Charter is applied in practice having regard to their spirit and general principles rather than to the latter alone; and
- ii) The Board will review and make any necessary amendments as and when required to ensure that the applications remain consistent with the Board's objectives and the current laws, regulations, and practices. Any updates to the principles and practices set out in this Charter will be made available on the Company's website.

This Board Charter is last reviewed and revised by the Board on 25 June 2024.