



CORPORATE GOVERNANCE

BOARD CHARTER

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Table of Content

1.	Introduction	1
2.	Objectives	1
3.	Composition	2
4.	Roles and Responsibilities of the Board	3
5.	Senior Independent Non-Executive Director	5
6.	Chairman of the Board	6
7.	Separation of Functions between the Chairman and CEO	6
8.	Company Secretary(ies)	7
9.	Remuneration	7
10.	Meetings	8
11.	Board Effectiveness Evaluation	9
12.	Dealings in Securities	9
13.	Conflict of Interest and Transaction involving Directors	9
14.	Anti-Bribery and Corruption Principles	10
15.	Code of Ethics & Business Ethics	10
16.	Whistleblowing Policy	11
17.	Board Committees	11
18.	Review	11

1 Introduction

1.1 Sedania Innovator Berhad (“**Sedania**” or “**the Company**”) was incorporated in Malaysia on 17 December 2013 under the Companies Act, 1965 as a private limited company under the name of Sedania Innovator Sdn. Bhd. It was subsequently converted to a public limited company on 22 September 2014 to serve as an investment holding company for Sedania Group of Companies (“**Sedania Group**” or “**the Group**”). On 29 June 2015, the Company was listed on the ACE Market of the Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

1.2 **Sedania’s DNA**

To fully project our strengths and capability, we have our own DNA to address challenges in a consistent manner. The intention to go global is faced with massive challenges, so our business DNA which is known as Five Plus One S must be solid. These components are:

Spirit:	to have passion and spirit in whatever we do
Strategy:	to put intellect in mapping out a strategised plan in our endeavour
Strength:	to identify and use our strength in execution
Speed:	to execute the strategised plan faster than your competitor
Stamina:	to persevere until the end, ahead of our competitors to achieve our objectives.
Style:	to perform the first five DNAs with style

1.3 The Board of Directors (“**Board**”) of Sedania is committed to uphold the highest standards of Corporate Governance throughout the Group by applying the following principles of good governance in discharging the Board’s duties and responsibilities, and in all of the Group’s business dealings with its shareholders and relevant stakeholders:

- (a) The Board is the focal point of the Company’s Corporate Governance system. The business of the Company is managed by the Directors within the powers under the Company’s Constitution, the ACE Market Listing Requirements of Bursa Securities (“**ACE LR**”), the Companies Act 2016 (“**the Act**”) and the Malaysian Code on Corporate Governance (“**MCCG**”) as amended from time to time;
- (b) All Board members are expected to exercise their powers for proper purpose and in good faith in the best interest of the Company;
- (c) Practice 2.1 of the MCCG promulgated the adoption of a board charter which is to be periodically reviewed and published on the Company’s corporate website.
- (d) This Board Charter shall constitute and form an integral part of each Director’s duties and responsibilities.

2 Objectives

The objective of this Board Charter is to guide the Board of Sedania in discharging its duties and responsibilities in accordance with the provisions of the Act, the ACE LR, the MCCG and any other applicable laws or regulatory requirements.

This Board Charter sets out the roles, functions, composition, operation and processes of the Board and seeks to ensure that all Board members are fully aware of their duties and responsibilities as board members. It further highlights the Principles, Practices and Guidance of the Corporate Governance that must be applied in all their dealings with and on behalf of the Company.

This Board Charter serves as a source of reference and primary induction literature to provide insights to existing and prospective Board members and Senior Managements on the matters set out in the preceding paragraph. In addition, it will assist the Board in assessing its collective performance and that of each individual Director. The Board acknowledges that the Board has full and unfettered right to carry out its duties under law and that this Charter is not intended to limit the Board's discharge of its duties in accordance with and as required by the applicable laws.

3 Composition

3.1 Composition

3.1.1 The Board shall comprise not less than two (2) and not more than nine (9) Directors.

3.1.2 The Board shall at all times comprise of Directors in the following proportions:

- a) At least two (2) Directors or one-third (1/3) of the Boards, whichever is the higher, are Independent Directors; and/or
- b) Such other Directors as may be appointed through the Company's Nominating Committee ("**NC**").

3.1.3 In the event of any vacancy in the Board, resulting in non-compliance with paragraph 3.1.2(a) above, Sedania must fill the vacancy within 3 months.

3.1.4 The Board is guided by the approved TOR of NC for recruitment or appointment (including re-election/re-appointment) of Directors.

3.1.5 Directors shall not sit on the boards of more than five (5) listed issuers and shall inform the Board's Chairman before accepting any new directorship.

3.2 Independence

3.2.1 "Independent Director" ("**ID**") is defined in accordance with Rule 1.01 of the ACE LR.

3.2.2 An ID shall, upon his appointment, give the Company a letter of confirmation that he is an ID as defined under Rule 1.01 of the ACE LR.

3.2.3 Directors must give effect to the spirit, intention and purpose of the said definition of "independence" set out in Rule 1.01 of the ACE LR.

3.2.4 According to Practice 5.3 of the MCCG, the tenure of an ID shall not exceed a cumulative term limit of nine (9) years. The ID may continue to serve on the Board beyond the nine (9)-year tenure provided the ID is re-designated as a Non-Independent Director. If the Board intends to retain the Director as an ID, the Board shall undertake a rigorous review to determine whether the "independence" of the Director had been impaired. The findings from the review shall be disclosed to shareholders for them to make an informed decision, which is decided by way of two-tier voting process in seeking annual shareholders' approval to retain such an ID beyond nine (9) years.

3.3 Disqualification or Vacation of Office

3.3.1 The office of a Director shall be ipso facto vacated if he:

- a) resigns in accordance with Sections 208(2) and 208(3) of the Act;
- b) has retired in accordance with the Act or the Constitution of the Company but is not re-elected;
- c) is removed from office in accordance with the Act or the Constitution of the Company;
- d) becomes disqualified from being a Director under Section 198 or 199 of the Act;

- e) ceases to be or is prohibited from being a Director by virtue of the Act, the ACE LR, any other applicable laws or regulatory requirements;
- f) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001 (Act 615);
- g) dies; or
- h) has been convicted in relation to the offences as follows:-
 - (i) by a court of law, whether within Malaysia or elsewhere, in connection with the promotion, formation or management of a corporation;
 - (ii) by a court of law, whether within Malaysia or elsewhere, involving bribery, fraud or dishonesty or where the conviction involved a finding that he acted fraudulently or dishonestly; or
 - (iii) by a court of law, under the securities laws of the corporation's laws of the Company's place of incorporation;within a period of five (5) years from the date of conviction or if sentenced to imprisonment, from the date of release from prison, as the case may be.

3.3.2 A Director will also vacate office should he be absent from more than 50% of the total Board meetings held during a financial year.

3.4 Retirement, Re-election and Re-appointment

3.4.1 An election of Directors shall take place at each annual general meeting of the Company where 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) with minimum of one (1), shall retire from office and be eligible for re-election provided always that each Director shall retire from office once at least in every three (3) years but shall be eligible for re-election. A Director retiring at a meeting shall retain office until the close of the meeting at which he retires.

3.4.2 The Directors to retire in each year shall be those who have been longest in office since their last election or appointment, but as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

4 Roles and Responsibilities of the Board

4.1 Directors shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Company.

4.2 In line with the Principles, Practices and Guidance of the MCCG, the Board of Directors has the following responsibilities:-

- (i) Together with the senior management, promote good corporate governance culture within the Company which reinforces ethical, prudent and professional behavior;
- (ii) Review, challenge and decide on management's proposals for the Company and monitor its implementation by Management;
- (iii) Review and approve strategic initiatives/ plan including corporate business restructuring or streamlining and strategic alliances to ensure that they supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- (iv) Supervise and assess management performance and oversee the conduct of the Group's businesses to evaluate whether the businesses are being properly managed;
- (v) Understand the principal risks of the Company's business and recognise that business decisions involve the taking of appropriate risks;
- (vi) Set the risk appetite within which the Board expects management to operate and ensure that there is a sound risk and internal control management framework to identify, analyse, evaluate, manage, report and monitor significant financial and non-financial risks;
- (vii) Ensure 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;

**SEDANIA INNOVATOR BERHAD [REGISTRATION NO. 201301044527 (1074350-A)]
BOARD CHARTER**

- (viii) Ensure that the Group's sustainability strategies, priorities and targets as well as performance against such targets are communicated to the Company's shareholders and other stakeholders;
- (ix) Ensure the integrity of the Company's financial and non-financial reporting;
- (x) Establish an adequate Group-wide framework for co-operation and communication between the Company and its subsidiaries to assist the Board in discharging its responsibilities including oversight of the Group's financial and non-financial performance, business strategy and priorities, risk management including material sustainability risks and corporate governance policies and practices;
- (xi) Establish and ensure the Group-wide framework on corporate governance includes a code of conduct and ethics, and policies and procedures addressing and managing anti-corruption, whistleblowing, conflict of interest, material sustainability risks and board diversity, including gender diversity;
- (xii) Approve the nomination, selection, succession policies, and remuneration packages for the Board members, Board Committee members and Chief Executive Officer ("CEO"), and the annual manpower budget for the Group, including managing succession planning, appointing, training, fixing the compensation of, and where appropriate replacing senior management or key management personnel;
- (xiii) Approve the appointment, resignation or removal of Company Secretary(ies) of the Company;
- (xiv) Develop and implement an investor relations programme or shareholder communications policy for the Group to ensure effective communication with stakeholders;
- (xv) Review the adequacy and integrity of the Group's internal control systems and risk management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines (including the securities laws, Act and ACE LR);
- (xvi) Review and approve the Financial Statements encompassing annual audited accounts and reports, dividend policy, credit facilities from financial institution and guarantees;
- (xvii) Review and approve the Audit Committee Report and Statement on Risk Management and Internal Control for the Annual Report;
- (xviii) Prepare a Corporate Governance Statement/ Report in compliance with the MCCG for the Annual Report;
- (xix) Approve the appointment of external auditors and their remuneration;
- (xx) In addition to the above matters, the Board shall not, pass any resolution or take any action with respect to any matter specified below unless a resolution in writing in respect of matters which circulated to all of the Directors and signed by a majority of the Directors for the time being entitled to receive notice of a meeting of the Directors:-
 - a) recommendation to the general meeting of any dividend payment or other distribution or capitalization of any profits or reserves of the Company;
 - b) the approval of the annual budget and business plans of the Company, including any amendments to these budget and plans;
 - c) calls for capital contribution from the shareholders;
 - d) of the Company's lien for forfeiture rights in respect of any shares under the Constitution of the Company;
 - e) approval of Annual Report to be submitted to the general meeting;
 - f) approval of any transaction outside the ordinary course of business of the Company;
 - g) long term agreements covering a period of more than one (1) year;
 - h) the entry into of any contract, agreement or arrangement above RM200,000.00;
 - i) the sale, transfer or disposal of any undertakings, properties or assets including Intellectual Property Rights above RM200,000.00;
 - j) the purchase, acquisition or lease of any assets or properties above RM200,000.00;
 - k) the commencement or defense or settlement of any litigation or arbitration;
 - l) approval of any capital expenditure in excess of RM200,000.00 per financial year which is not provided for in the annual business plan or annual budget of the Company, as the case may be;
 - m) approval of the dividend policy for the Company and any changes to be made to such policy;
 - n) the declaration and payment of any interim dividend;
 - o) the appointment and removal of Chairman, Managing Director and CEO, or equivalent positions of the Company;

- p) the entry into of any transactions, arrangements or agreements with any Shareholder or director or any person connected with such Shareholder or director or the entry into any transactions, arrangements or agreements in which any Shareholder or director or person connected with such Shareholder or director has an interest;
- q) the lending of monies to any person or granting of any guarantees, indemnities or any securities to secure the liabilities or obligations of any person above RM200,000.00;
- r) the acceptance of borrowings and / or credit facilities;
- s) the implementation of any new or additional management or employees' share option scheme or share incentive plan or scheme or employee performance scheme or the revision of any such plan or scheme;
- t) any material change in the Company's accounting or reporting practices which would deviate from the generally accepted accounting practices and Listing Requirements of Bursa Securities in Malaysia unless such change is to the extent mandatorily required by law;
- u) save as is otherwise provided herein, any matter involving the Company with:
 - (i) any Director or with another firm, company or corporation in which any Director is interested as a proprietor, partner, director or other officer or creditor of or a shareholder (with a shareholding interest of 20% or more) in, except as a shareholder of a public company or a public corporation whose shares are listed on a stock exchange; or
 - (ii) any Shareholder or
 - (iii) a corporation related (within the meaning of Section 7 of the Act) to the Company or to any of the Shareholders;
- v) Change of the financial year end of the Company;
- w) Approval of financial statements together with directors' and auditors' reports;
- x) Development of policy for remuneration of Senior Management (the criteria thereof shall be determined by the Board) and accounting policy;
- y) Grant of powers of attorney by the Company other than to banks or financial institutions;
- z) the creation of any encumbrance, debentures, fixed or floating charges over any of the Company's assets, undertaking and/or properties other than for financing purpose;
- aa) Allotment or issue of the Company's shares;
- bb) Transfer of the Company's shares;
- cc) Establishing of any joint venture or merger; and
- dd) Change of Terms of Reference of Board Committees.

4.3 The Directors have individual and independent access to the advice and dedicated support services of the Company Secretary(ies) 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, or request further explanation, information or updates, on any aspect of the Company's operations or business concerns from the management.

In addition, the Board may seek independent professional advice at the Company's expense on specific issues to enable the Board to discharge its duties in relation to the matters being deliberated. Individual Directors may also obtain independent professional or other advice in furtherance of their duties, subject to approval by the Chairman or the Board, depending on the quantum of the fees involved.

5 Senior Independent Non-Executive Director

5.1 The Board approves the appointment of a Senior Independent Non-Executive Director ("**SID**") to act as an additional safeguard and to serve as a fallback point of contact for investors and shareholders when the normal channel of communication is considered to be inappropriate or inadequate.

- 5.2** The SID shall be nominated from amongst the Independent Non-Executive Directors (“**NEDs**”), but exclude the Audit and Risk Management Committee Chairman, who is an ID of the Company.
- 5.3** The NC shall make its recommendation to the Board for approval of the proposed appointment of the SID for a term of one (1) year or such other terms as may be determined by the Board.
- 5.4** The SID shall have specific responsibilities which include, to:-
- a) Serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through normal channels of contact with the Chairman or CEO;
 - b) Serve as the principal conduit between the IDs and the Chairman on sensitive issues;
 - c) Lead the succession planning and appointment of Board members, including the future Chairman and CEO;
 - d) Lead the annual review of Board effectiveness, ensuring that the performance of each individual director is independently assessed;
 - e) Receive report(s) made by employees, external parties or other stakeholders for the purpose of whistleblowing in the form as prescribed under the Whistleblowing Policy of Sedania Group, 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;
 - f) Ensure all IDs have the 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 IDs to perform their duties effectively;
 - g) Consult with the Chairman regarding Board meeting schedules to ensure IDs can perform their duties responsibly and with sufficient time for discussion of all agenda items; and
 - h) Chair meetings of the Board or NEDs, in the absence of the Board Chairman or his abstention.

6 Chairman of the Board

- 6.1** The Chairman leads the Board with a keen focus on governance and compliance. His roles/responsibilities include, inter alia:
- a) providing leadership for the Board and oversee the Board in the effective discharge of its fiduciary duties;
 - b) leading the Board in the adoption and implementation of good corporate governance practices in the Company;
 - c) setting the Board agenda and ensuring the Board members receive complete and accurate information in a timely manner;
 - d) leading discussion in Meetings and ensure efficient and effective conduct of the Board’s Meetings;
 - e) encouraging active participation and allowing dissenting views to be freely expressed;
 - f) promoting constructive and respectful relations between Board Members and manage the interface between the Board and Management;
 - g) facilitating effective communication between the Board and the stakeholders and that their views are communicated to the Board as a whole; and
 - h) committing his time and efforts as may be necessary to discharge effectively his role as Chairman.

7 Separation of Functions between the Chairman and CEO

- 7.1** The roles of the Chairman and CEO of Sedania are distinct. The distinct and separate roles of the Chairman and CEO, with a clear division of responsibilities, ensures a balance of power and authority, such that no one individual has unfettered powers of decision-making.
- 7.2** The CEO spearheads the business and day-to-day management of the Company and the primary job tasks for the CEO are as follows:

- a) to be accountable and responsible for the Group's operations, financial and sustainability performance;
- b) together with the Head of Departments, to ensure that the business affairs of the Group are carried out in an ethical manner and in compliance with relevant laws and regulations;
- c) conduit between the Board and the Management in ensuring the success of management functions; and
- d) implement the policies, strategies and decision adopted by the Board.

8 Company Secretary(ies)

- 8.1** The appointment and removal of the Company Secretary(ies) is a matter for the Board, as a whole. The Company Secretary(ies) shall be suitably qualified, competent and capable of carrying out the duties required of the position.
- 8.2** The Company Secretary(ies) is expected to provide unimpeded advice and services to the Directors, as and when the need arises, to enhance the effective functioning of the Board and to expedite regulatory compliance.
- 8.3** The roles and responsibilities of the Company Secretary(ies) include, but are not limited to the following:-
- (a) manage all Board and Board Committee meeting logistics, attend and record minutes of all Board and Board Committee meetings and facilitate Board communications;
 - (b) advise the Board on its roles and responsibilities, particularly the additional or changes in obligations arising from the implementation of the new laws and regulations or any amendments thereof;
 - (c) facilitate the orientation of new directors and assist in director training and development;
 - (d) advise the Board on corporate disclosures and compliance with company and securities regulations and listing requirements;
 - (e) manage processes pertaining to the annual shareholder meeting;
 - (f) monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations;
 - (g) serve as focal point for stakeholders' communication and engagement on corporate governance issues; and
 - (h) carrying out other functions as deemed appropriate by the Board from time to time.

9 Remuneration

- 9.1** The fees and any 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.
- 9.2** The Directors shall be paid all their travelling and other expenses properly and necessarily expended by them in and about the business of the Company including their travelling and other expenses incurred in attending board meetings of the Company.
- 9.3** The Board has established a formal and transparent process for approving the remuneration of the NEDs and the Executive Director/CEO, whereby the Remuneration Committee ("RC") is responsible for reviewing the remuneration policy and making recommendations on the same to the Board for approval. In its review, the RC considers various factors including the NEDs' fiduciary duties, time commitments expected of them and the Company's performance.
- 9.4** 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 same for shareholders' approval at the annual general meeting of Sedania.

10 Meetings

- 10.1** The Board shall conduct at least four (4) scheduled meetings a year, with additional meetings convened as and when the Board's approval and guidance is required. Additional meetings are convened on an ad-hoc basis.

The Board's annual meeting calendar is prepared and circulated to the Directors before the beginning of each year. It provides the scheduled dates for meetings of the Board and Board Committees, annual general meeting, major conferences hosted by the Company, as well as the closed period for dealings in securities by Directors based on the targeted date of announcement of quarterly results of the Group.

- 10.2** Upon consultation with the Chairman, due notice shall be given for the proposed dates of meetings during the financial year and standard agenda matters to be tabled to the Board.

- 10.3** The quorum for Board meetings shall be two (2) Directors.

- 10.4** All Board meetings shall be chaired by a Chairman of the Board. The Chairman has the discretion to call for additional meetings at any time. Where the Chairman is absent, the Directors present shall elect one (1) of their members to be the Chairman of the Meeting. The quorum for each meeting shall be the majority of members present must be NEDs. In the absence of a meeting, issues shall be resolved by way of circular resolutions.

- 10.5** The Directors may also hold a meeting of Directors at two (2) or more venues within or outside Malaysia using technology that enables all the Directors to hear one another and to participate in the proceedings of the meeting for its entire duration. Any meeting held in such manner shall be deemed to have been held at such time and place as set out in the notice of meeting and all Directors participating in the proceedings of the meeting held in such manner shall form the quorum. All information and documents for the meeting must be made available to all Directors prior to or at the meeting.

- 10.6** A set of Board Papers (together with a detailed agenda in the case of a meeting) is furnished to the Board members at least five (5) business days prior to each Board meeting or in the case of a decision by way of Directors' Circular Resolution, accompanying the proposed resolution, to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification, advice and services from the general counsel, internal auditor and Company Secretary, should such a need arise. Where necessary, the services of other Senior Management or external consultants will be arranged to brief and help the Directors to clear any doubt or concern.

- 10.7** At Board meetings, the management presents the papers and consultants may be invited to provide further insight.

- 10.8** The Chairman encourages constructive, healthy debate, and Directors are given the chance to freely express their views or share information with their peers in the course of deliberation as a participative Board.

- 10.9** At the meeting, the Board may consider amongst other things:

- (i) Report of meetings of all committees of the Board including matters requiring the full Board's deliberation and approval;
- (ii) Performance report of the Group, which include information on financial, industry and strategic business issues and updates;
- (iii) Major operational, financial, technical, legal and regulatory issues;
- (iv) Technological development and updates;
- (v) Reports on risk management;
- (vi) Reports on human capital, organisational and talent management; and
- (vii) Board Papers on other matters of discussion/approval.

- 10.10** Additionally, the Board is furnished with ad-hoc reports to ensure that it is appraised of key business, financial, operational, corporate, legal, regulatory, and industry matters, as and when the need arises.

- 10.11** The Board has unrestricted and immediate access to Senior Management and all information on the affairs of the Group. At the request of the Board, Management is obliged to supply in a timely manner, all relevant information relating to the business, operations and governance of the Group, including information concerning customer satisfaction and survey quality, market share and market reaction to enable the Board to discharge its duties effectively.
- 10.12** Members of the Board may collectively or individually seek external or independent professional advice and/or assistance from relevant experts in furtherance of their duties and at the Group's expense.
- 10.13** Any Director who has a direct or deemed interest in the subject matter to be deliberated abstains from deliberation and voting on the same during the meeting.
- 10.14** The Minutes prepared by the Company Secretary(ies) shall accurately reflect the deliberations and decisions of the Board, including whether any director abstained from voting or deliberating on a particular matter and shall be kept in the statutory minutes book at the registered office of the Company.

11 Board Effectiveness Evaluation (BEE)

- 11.1** The Board has entrusted the NC with the responsibility for carrying out the annual BEE.
- 11.2** The Directors' Self and Peer Assessment evaluation is intended to evaluate the mix of skills, experience and other relevant qualities the Directors bring to the Board, and takes into account the individual director's ability to exercise independent judgement at all times and to contribute to the effective functioning of the Board. The evaluation process also examines the ability of each Board or Committee member to give material input at meetings and to demonstrate a high level of professionalism and integrity in the decision-making process.
- 11.3** The NC shall engage an external consultant to conduct BEE exercise once every three (3) years to facilitate an objective and candid board evaluation.
- 11.4** The evaluation and assessment results form the basis of the NC's recommendation to the Board for the re-election and/or re-appointment of Directors and Board Committee members as well as for further development of the Board and Board Committees.

12 Dealing in Securities

- 12.1** The Company Directors are guided by Chapter 14 of ACE LR on the process and requirements when dealing in the securities of the Company.
- 12.2** A Director must not deal in the securities of Sedania as long as 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 Markets & Services Act, 2007.

13 Conflict of Interest and Transaction involving Directors

- 13.1** Sedania has in place guidelines for handling conflict of interest under the Company's "*Code of Conduct & Business Ethics*" to manage situation where conflict of interest on the part of the Directors may arise.
- 13.2** Conflict arising from the interest (direct or indirect) of a director, member or major shareholder or person connected with such director, member or major shareholder in a transaction proposed to be entered into or action/ decision to be taken by Sedania or its subsidiaries.

- 13.3** Where a Director has an interest (direct or indirect) in a transaction proposed to be entered into or action/decision to be taken by Sedania or its subsidiaries, he/she may be biased in making the commercial or regulatory decision which could be to the detriment of Sedania or its subsidiaries.
- 13.4** Directors can be regarded as having a conflict of interest where the company, he or she is associated with derives an advantage from him being a Director. Therefore, a director is required at all times to declare such conflict and if so required by the Board, to withdraw from any voting or deliberation of a matter in which the Director or member may have an interest.
- 13.5** The Act provides that a Director who is in any way, whether directly or indirectly, interested in a contract entered into or proposed to be entered into by the Company shall be counted only to make the quorum at the board meeting but shall not participate in any discussion while the contract or proposed contract is being considered at the board meeting and shall not vote on the contract or proposed contract.
- 13.6** Where a contract or proposed contract is entered into in contravention of Section 221 of the Act, the contract or proposed contract shall be voidable at the instance of the Company except if it is in favour of any person dealing with the Company for a valuable consideration and without any actual notice of the contravention. A director who knowingly contravenes Section 221 of the Act shall be guilty of an offence against the Act.
- 13.7** The ACE LR further provides that a Director with any interest, direct or indirect, must abstain from board deliberation and voting on the relevant resolution in respect of the related party transaction.

14 Anti-Bribery and Corruption (“ABC”) Principles

- 14.1** The Group’s ABC Principles sets out the relevant principles to be adhered to by employees of the Group, as well as external parties such as consultants, agents, representatives or other companies and individuals acting on the Group’s behalf (“**Business Associates**”), as well as those acting on behalf of Business Associates (i.e. subcontractor), in connection with work for Sedania Group.
- 14.2** The Group’s ABC Principles has been communicated to all employees and Business Associates. Recruits and new Business Associates are notified of this Principles before they commence providing services to the Group.
- 14.3** As an integral part of the Group’s ABC Principles, the Management provides training and awareness to the Group’s employees on the implications of corruption and bribery at the workplace, including measures implemented by the Group to prevent incidents of bribery and corruption.

15 Code of Ethics & Business Ethics

- 15.1** The Directors are to maintain the highest degree of integrity and professionalism while at the same time promoting transparency and accountability in their actions.
- 15.2** Sedania has in place “*Code of Conduct & Business Ethics*” which is formulated to enhance the standard of corporate governance and behaviour through:
- a) Establishing standards of ethical conduct for Directors based on acceptable beliefs and values;
 - b) Upholding the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing Sedania and the Group; and
 - c) Document and emphasizing to the Directors, the integral obligation of each Director 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.

The document is available on the Company’s website at www.sedaniainnovator.com.

16 Whistleblowing Policy

- 16.1 “*Whistleblowing*” is defined as “the deliberate, voluntary disclosure or reporting of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated improper conduct within the organisation or by an organisation that is within its ability to control”.
- 16.2 Sedania has in place “*Whistleblowing Policy*” to manage improper conduct on the part of the Directors, if any. This policy covers areas from lodging of reports to investigation and corrective actions that are required to be taken.
- 16.3 Director’s improper conduct is generally described as any conduct by a Director which if proved constitutes a criminal offence or any conduct that constitutes a wrongdoing or malpractice and may include any of the following:
- a) The breach of any law, regulation or rule that is applicable to the Company. For example, a breach of insider trading laws;
 - b) Any criminal act, including criminal breach of trust, extortion and sabotage;
 - c) Any act that is likely to cause significant financial loss or costs to the Company including any intentional misrepresentation of the Company’s financial statements;
 - d) Any other action that would cause significant harm to the Company or to any person(s);
 - e) The deliberate concealment of information concerning any of the matters listed above.
- 16.4 The Board has overall responsibility for this policy and shall oversee the implementation of this policy. The document is available on the Company’s website at www.sedaniainnovator.com.

17 Board Committees

- 17.1 To assist the Board in fulfilling its duties and responsibilities, it has established the following Board Committees with specific terms of reference:
- a) Audit and Risk Management Committee
 - b) Nominating Committee
 - c) Remuneration Committee
 - d) Sustainability Committee

Independent and NED play a leading role in these Committees. The Management and third parties are co-opted to the Committees as and when required. Details of the membership and a summary of the duties and responsibilities of each Committee appointed by the Board are published in the Annual Report. The Chairman of the respective Committees reports to the Board on the outcome of the Committee meetings and such reports will be reported to the Board at the Board Meeting.

The full terms of references of the Board Committees are accessible on the Company’s website: www.sedaniainnovator.com.

18 Review

- 18.1 This Board Charter was approved and adopted by the Board with effect from 28 March 2022. Any subsequent amendment to the Charter must be approved by the Board.
- 18.2 The Board Charter will be reviewed annually by the Board or as and when required, and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board’s responsibilities.

19 Effective Date

19.1 This Charter shall be effective on 28 March 2022.

History

Version Number	Board's approval Date	Effective Date
Version No. 1	10 April 2015	10 April 2015
Version No. 2	30 November 2018	30 November 2018
Version No. 3	28 March 2022	28 March 2022

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