



**Classita Holdings Berhad 199601036023 (408376-U)  
Board Charter**

**1. Introduction**

The Board of Directors (“Board”) of Classita Holdings Berhad (“CHB” or “The Company”) is committed and adopted the principles of good corporate Governance and practices in accordance with applicable laws, rules and Regulations in Malaysia.

The objectives of this Board Charter are to ensure that all Board members are Aware of their duties and responsibilities as Board members and the various Legislations and regulations affecting their conduct. This Board Charter also Serves to promote the highest standards of corporate governance of the Group

**2. Roles and Responsibilities**

**2.1 Board Composition**

- i. The Board should comprise at least two Directors or one-third of its Board (whichever is higher) are independent Directors. If a vacancy in the Board results in non-compliance with the required composition, the vacancy must be fulfilled within three (3) months (paragraph 15.02 of the Listing Requirements)
- ii. The current Board members brings with them years of experience in various fields of expertise, ranging from business, accountancy and legal to manufacturing of undergarments in order to reach effective decisions in governing the Group
- iii. The presence of the Independent Directors is essential as they provide unbiased and independent view, advice and judgement as well as safeguard the interests of other parties like minority shareholders. They are independent of both the management and shareholders of the Company, and are free from any business or and in making independent judgement
- iv. The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on The Board subject to the director’s re-designation as a

Non-Independent Director. The Board must justify and seek Shareholders' approval in the event it retains as an Independent Director, a person who has served in that Capacity for more than nine (9) years.

- v. The Nomination and Remuneration Committee reviews and recommends the criteria for appointment of new Directors. Upon the recommendation from this committee, the Appointment of a new Director is a matter for consideration And decision by the Board as a whole. The Board shall obtain The expected time commitment from its members to carry out Their responsibilities at the time of appointment.
- vi. Election of Directors takes place each year at the annual general meeting of the Company where one third (1/3) of the Directors, or if their number is not three (3) or a multiple of Three (3), then the number nearest to one third (1/3) shall Retire from office and the retiring Directors are eligible for re-Election. A retiring Director shall retain office until the close of The meeting at which he / she retires

## 2.2 Roles of the Board / Terms of Reference

The Board is the ultimate decision making body of the Group unless There are exceptions of specific corporate decisions stated in the Companies Act, Bursa Malaysia's Main Market Listing Requirements And the Articles of Association of the Company that require the Passing of ordinary or special resolutions by shareholders.

The Board is responsible for supervising the management of the Business and affairs of the Corporation in a way which ensures that The interests of shareholders and stakeholders are promoted and Protected. In discharging its responsibilities and facilitating its ongoing Oversight of the Group, the Board has agreed to the following overall Responsibilities:

- \* to review and approve of strategic plans;
- \* to review the adequacy of the Group's internal control systems;
- \* to identify, review and manage principle risks affecting the Group;
- \* to monitor corporate performance and implementation of Strategies and policies;
- \* to ensure shareholders are kept informed of the Company's Performance and major developments affecting its state of

Affairs;

- \* to approve major capital expenditure, capital management and Acquisition / divestitures;
- \* to comply and act honestly, fairly and diligently in all aspects in Accordance with laws, rules and regulations applicable to the Group;
- \* to ensure that succession planning of the Directors and senior Management is in place;
- \* to assess and monitor the board composition, processes and Performance with the guidance of the Nomination Committee;
  
- \* to monitor and review Management processes with the Objective of ensuring the integrity of financial and other Reporting with the guidance of Audit Committee;
- \* to approve the terms of reference and members of the Board Committees; and
- \* to review and approve remuneration of Directors under the Guidance of the Remuneration Committee;

## **2.3 Roles of Executive Chairman and Group Managing Director**

The roles of Executive Chairman and Group Managing Director are distinct And separate with a clear division of responsibilities. This is to ensure Balance of authority, accountability and a greater capacity for independent Decision making and that no individual or group dominates the decision Making process.

### **2.3.1 Roles of Executive Chairman**

The Executive Chairman assumes the formal role of a leader and Chairs all Board meetings so that the Board and its Committees Function effectively. Other key roles of the Executive Chairman are:

- \* leading the Board in its duties to the Group;
- \* ensuring that the processes and procedures are in place to Evaluate the performance of the Board, its Committees and its Individual directors;
- \* facilitating effective reviews, analysis and discussions at Board

Meetings; and

- \* ensuring effective communication with shareholders and Stakeholders

### 2.3.2 Roles of Chief Strategic Officer (CSO)

The CSO assumes the overall responsibilities for the Implementation of the Group's strategies and is accountable to the Board for the day-to-day management and operations of the Group's Business. The key roles of the Group MS, among others, are:

- \* developing strategic directions;
- \* ensuring that corporate strategies and policies are Implemented effectively;
- \* ensuring that the Group's resources are effectively managed;
- \* keeping the Board informed of all important aspects of the Group's operations; and
- \* providing sufficient information is distributed among the Board Members;

## 3. Delegation of Powers

The Board may from time to time establish committees as it considers Necessary or appropriate to assist it in carrying out its responsibilities. To Assist the Board in fulfilling its duties and responsibilities, it has established The following Committees:

- \* audit committee;
- \* risk management committee;
- \* nomination committee; and
- \* remuneration committee

Each Committee has a formal Terms of Reference and has been granted Certain delegations. These Committees shall undertake in-depth deliberations Of the issue at hand before tabling its recommendation thereon to the Board.

If necessary, any Board member can request to seek independent Professional advice to discharge its duties effectively at the Company's Expense. Approval must be obtained from the Board prior to incurring such Expenses on behalf of the Company.

#### 4. **Company Secretaries**

The Company Secretaries play an important advisory role and is a source of Information and advice to the Board and Committees on issues relating to Compliance with laws, rules, procedures and regulations affecting Classita Group.

The specific responsibilities of the Company Secretaries are as follows:

- (a) to advise the Board and Management on governance issues;
- (b) to ensure compliance of listing and related statutory obligations;
- © to attend Board, Committees and general meetings and ensures the Proper recording of minutes;
- (d) to ensure proper upkeep of statutory registers and records;
- € to assist Chairman in the preparation for and conduct of meetings;
- (f) to assist Chairman in determining the annual Board plan and the Administration of other strategic issues; and
- (g) to assist in the induction of new directors, and continuously update The Board on changes to Main Listed Requirement, other related Legislations and regulations.

The appointment and removal of the Company Secretary is a matter for the Board as a whole.

#### 5. **Meetings**

Meetings of the Board shall be held at least four times each financial year. Any Board member may call for further meetings if appropriate and required.

Any Director may at any time and the Company Secretaries shall on the Requisition of a Director summon a meeting of the directors by giving them not less than seven (7) days notice thereof unless such requirement is waived By them.

The Directors shall have access to all information within the Group to enable Them to discharge their duties. Reasonable notice of meetings and the Business to be conducted and appropriate information shall be given to Board Members prior to each meeting. Minutes on deliberations and conclusion of Issues raised are taken for all Board meetings and its committees and they Circulated to all Directors.

The Board may invite external parties such as auditors (both internal and/or External auditors), solicitors or consultants to brief and clear the Directors' Doubt or concern as and when the need arises. Such invited parties may Attend part or all of the Board Meeting at the discretion of the Board.

The quorum of Bard meeting is two (2) members, present in person.

All proceedings of the Board, including paper submitted and presentations, Shall be kept confidential and will not be disclosed or released to any person Other than Board members unless it is required by law or the Board has Consented and agreed.

#### 5. **Conflict of Interest**

Directors must advise the Board on an on-going basis of any interest that Could potentially conflict with those of the Company. If there is any matter to Be discussed at Board meeting which would involve any Director(s) having a Material conflict of interest, then the Director(s):

- \* will declare the conflict of interest;
- \* will not receive any relevant papers on the subject matter;
- \* will not be present at the meeting whilst the matter is considered; and
- \* will not participate in any decision on the matter or be informed the Decision has been taken

#### 6. **Directors' Training and Development**

All newly appointed Directors must complete the Mandatory Accreditation Programmed as required by Bursa Malaysia. Board members are encouraged To participate in training programmes conducted by competent professionals And which are relevant to the Group's operations and business. The Board Evaluates the training needs on a continuous basis and determines the areas That would further their understanding of the issues facing the Group. Directors may request that training programmes on specific subjects to be Arranged in order to facilitate them in discharging their duties effectively.

#### 7. **Board Diversity**

The Board, at all times, welcomes and promotes diversity and gender mix in Its composition so as to give due recognition to the financial, technical, legal And business experience of the Directors. The Board has always believed the Inclusion of diverse nationality and gender mix on its Board member can Widen the Board's scope in discharging its duties and responsibilities as well As well as the decision-making process.

#### 8. **General**

This Board Charter is not all-inclusive document and should be read as a b Broad expression of principles. The Board has endorsed this Board Charter And the Board will review it from time to time to ensure that the Group Continues to adopt the best practices of corporate governance.

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This Policy was last updated on 31<sup>st</sup> October 2023