

CONFIDENTIAL



SERBA DINAMIK HOLDINGS BERHAD

TERMS OF REFERENCE OF MANAGEMENT EXECUTIVE

COMMITTEE (“MANCO”)

(Approved by the Board of Directors on 20 May 2020)

Prepared by:



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1. CONSTITUTION

The MANCO shall be established by the Board as an operating committee and the MANCO members shall be appointed by the Board from amongst the directors and management personnel / Chief Level Officers of the Group.

The MANCO is committed to comply with all the applicable laws and regulatory requirements inclusive on Anti-Corruption.

2. OBJECTIVES

The objectives for the formation of the MANCO are as follows:

- To discharge the responsibilities of the Group's Board relating to the transaction of routine, administrative matters that occur between regularly scheduled meetings of the Board.
- As a medium between the Board and management to ensure that business strategies, daily business and operational issues are carried out efficiently and effectively and that the requirements of good corporate governance practices are observed.
- Foster a corporate culture that promotes ethical practices, integrity, and fulfills social responsibility.
- The Committee shall uphold integrity and ethical in discharging its duties.
- The Committee shall maintain confidentiality of all matters discussed in the MANCO meetings or matters concerning the operation of the business at all times.

3. AUTHORITY

The MANCO is authorized by the Board to approve transactions or activities which are beyond the individual discretionary powers of senior management personnel as per the approving authority limits as stipulated in the relevant policy manuals of respective operating units.

The MANCO shall within its TOR:

- have the resources required to perform its duties;
- have full and unrestricted access to any information pertaining to the Group;
- have direct communication channels with employees, senior management personnel and external parties;
- have the authority to investigate any activity of the Group;

- have the authority to form management / sub-committee(s) if deemed necessary and fit;
- have the authority to delegate any of its responsibilities to any person or committee(s) that is deemed fit;
- be able to obtain independent professional or other advice; and
- be able to convene meetings with external parties, whenever deemed necessary.

4. MEMBERSHIP

The members of the MANCO shall be appointed by the Board of the Group that shall consist of not less than five (5) members. The membership shall consist of GMD / CEO and Chief Level Officers of the Group.

5. FUNCTIONS & DUTIES

- To exercise and execute the authority as granted by the Board as defined in LOA;
- To identify, formulate and prioritize strategic issues and chart strategic directions for action by the management and staff;
- To review and approve the business strategies, budget, relevant key procedures and/or guidelines;
- To ensure that infrastructure, resources and systems are in place for the establishment of a conducive working environment;
- To review management reports from operation and business units on key business performance, operating statistics and regular matters;
- To report to the Board on matters that require their attention and approval;
- To monitor and evaluate business conditions and developments in the financial markets on an ongoing basis to ensure that the impact of changes are identified and managed accordingly; and
- To review and approve transactions or activities as delegated by the Board.

6. MEETINGS

- The MANCO shall preferably meet on a monthly basis;
- The quorum of the meetings shall be at least three (3) members or more than 50% of the total members, whichever is higher;
- The MANCO is also allowed to carry out the resolution by way of circulation;
- Head of the respective division units and relevant management personnel may be invited to attend the MANCO meetings;
- The MANCO may meet together for dispatch of business, adjourn, and otherwise regulate their meetings as they think fit by means of any communication technology by which all persons participating in the meeting are able to hear and be heard by all other participants without the need for a member to be in the physical presence in the meeting. The member participating in any such meeting shall be counted in the quorum for such meeting. All resolutions agreed by the member in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the members duly convened and held;
- Resolutions, proposals and matters tabled for approvals at any meeting of the MANCO shall be decided by a simple majority of the members present; and
- The Chairman shall nominate any person as Secretary to the MANCO and minutes of meetings shall be taken.

7. REVIEW

- Review the charter at least annually and update it as needed to respond to new risk-oversight needs and any changes in regulatory or other requirements;
- Review and approve the management-level risk committee charter, if applicable;
- Perform any other activities consistent with this charter, the Group's bylaws, and governing laws that the Board or Risk Committee determines are necessary or appropriate; and
- Submit the charter to the full Board for approval.