

## **SCHEDULE OF MATTERS RESERVED FOR THE BOARD OF DIRECTORS OF LB ALUMINIUM BERHAD**

This Schedule of Matters Reserved for the Board of Directors of LB Aluminium Berhad (“the Company”) is to ensure that important and high risk matters, which are required to be or are in the interests of the Company and its subsidiaries (“the Group”), should only be decided by the Board of Directors of the Company as a whole.

No matter how effective a board of directors may be, it is not possible, nor desirable for it to have hands on involvement in every area of the Group’s business. An effective board has overall control of the business but delegates responsibility for day-to-day and lower risk matters to the Executive Directors. That said there are a number of important and high risk matters, which are required to be or, in the interests of the Group, should only be decided by the Board of Directors as a whole.

### ***SCHEDULE OF MATTERS RESERVED FOR THE BOARD***

#### **1. Strategy and Management**

- 1.1 Responsibility for the overall direction of the Group.
- 1.2 Approval of the Group’s long term objectives and strategy, policies and annual budgets.
- 1.3 Oversight of the Group’s operations and management.
- 1.4 Review of performance in the light of the Group’s strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- 1.5 Extension of the Group’s activities into new business areas.
- 1.6 Any decision to cease to operate all or any material part of the Group’s business.

#### **2. Structure and Capital**

- 2.1 Changes relating to the Group’s capital structure.
- 2.2 Major changes to the Group’s corporate structure, management and control structure.
- 2.3 Any changes to the Company’s listings or its status as a public listed company.

#### **3. Financial Reporting and Controls**

- 3.1 Approval of preliminary announcements of interim and final results.

### 3.2 Approval of:

- the Annual Report and Accounts, including the Corporate Governance Statement and Remuneration Report;
- Summary Report and Accounts; and
- the Annual Report filed with the Securities Commission Malaysia.

### 3.3 Approval of the dividend policy, if any.

### 3.4 Declaration of dividends.

### 3.5 Approval of any significant changes in accounting policies or practices.

### 3.6 Approval of limits of authority (LOA).

## **4. Risk Management and Internal Controls**

### 4.1 Responsible for:

- a sound system of risk management and internal control;
- oversight and review of risk management and internal control; and
- determining the appropriate level of risk exposure for the Company.

## **5. Contracts**

### 5.1 Major capital projects, investments or contracts as per LOA.

### 5.2 Lending or borrowing by the Company made outside the LOA of the Company.

## **6. Communication**

### 6.1 Approval of resolutions and related documentation to be put forward to shareholders at a general meeting.

## **7. Board Membership and Other Appointments**

### 7.1 Board appointments and removals; selection of the Chairman, Senior Independent Director and Chief Executive Officer; membership and chairmanship of board committees, following recommendations from the Nomination Committee.

### 7.2 Succession planning.

### 7.3 Appointment or removal of the Company Secretary.

7.4 Appointment, reappointment or removal of the external auditor to be put to shareholders for approval, following the recommendation of the Audit Committee.

## **8. Remuneration**

8.1 Determining the remuneration policy for the Chairman, the Chief Executive Officer and the Executive Directors.

8.2 Determining the remuneration of the Non-executive Directors, subject to the Articles of Association and shareholder approval as appropriate.

8.3 The introduction of new share schemes or new long-term incentive schemes or major changes to existing schemes, which require shareholders' approval.

## **9. Delegation of Authority**

9.1 The division of responsibilities between the Chairman and the Chief Executive Officer.

9.2 Approval of terms of reference of board committees.

## **10. Corporate governance matters**

10.1 Conduct an adequate annual evaluation of its own performance, that of its committees, the Chairman, the Chief Executive Officer and, in consultation with the Chief Executive Officer, other Executive Directors.

10.2 Determining the independence of directors.

10.3 Receiving reports on the views of the Company's shareholders.

## **11. Other**

11.1 Settlement of litigation involving amounts material to the interests of the Group.

11.2 Any other matter not falling within the powers and authority of the Chief Executive Officer or delegated to a committee of the board.

This policy was approved by the Board of Directors on 29 June 2021.