

Board Charter

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1. Introduction

This Board Charter is a document that outlines the roles, responsibilities, and expectations of the board of directors of the Economic Development Board. The Board Charter is intended to provide a clear understanding of the Board's purpose, governance principles, and how it operates.

This Board Charter is an important document as it helps ensure that the Board functions effectively and efficiently. It sets out the expectations for the Board and its members and provides a framework for decision-making and accountability.

2. Scope

The provisions contained in this Board Charter are subject to applicable laws and regulations, including the Economic Development Board Act 2017 ("EDB Act"). This Board Charter is posted on the website of the Economic Development Board ("EDB").

3. Composition of the Board

As per section 6 of the EDB Act, the Board shall consist of:

- a. a chairperson, to be appointed by the President on the advice of the Prime Minister after consultation with the Leader of the Opposition.
- b. a Vice-chairperson, to be appointed by the Prime Minister;
- c. a representative of the Prime Minister's Office;
- d. a representative of the Ministry responsible for the subject of finance;
- e. a representative of the Ministry responsible for the subject of housing and land use planning; and
- f. not less than five (5) but not more than seven (7) members, to be appointed by the Prime Minister.

Every Board member appointed shall be a fit and proper person of high integrity from among the business sector, public sector or civil society, with expertise and experience in, but not limited to, banking and finance, agri-business, the energy sector, regional development, information technology, medical research, industry development, higher education and academia, science, innovation, engineering, urban planning and renewal or public policy; and who is not actively engaged in any political activity.

A person, including a non-citizen or non-resident, may be appointed from persons having wide experience at international level in the sectors referred to in the preceding paragraph.

Every Board member shall hold office for a period of three (3) years on such terms and conditions as the Prime Minister may determine and shall be eligible for reappointment.

Every Board member shall be paid by the Economic Development Board such fees as the Board may, with the approval of the Prime Minister, determine.

3.1 The Chairperson

The Chairperson is a non-executive person appointed as specified in Section 3 above and is primarily responsible for the activities of the Board and its committees. He acts as the spokesman for the Board and is the principal contact for the Chief Executive Officer (CEO).

The Chairperson provides leadership at Board level and is responsible for ensuring the integrity and effectiveness of the Board and its committees. The Chairperson is required to:

- a. Ensure that the Board performs its duties in compliance with the law;
- b. Set the ethical tone for the Board and the organisation;
- c. Provide overall leadership to the Board without limiting the principle of collective responsibility for Board decisions, while at the same time being aware of the individual duties of Board members;
- d. Ensure that the agendas of Board meetings are determined and discussed with the CEO and the Secretary to the Board;
- e. Ensure that the Board members receive all information necessary for them to perform their duties;
- f. Ensure that the Board meetings are chaired in an effective manner;
- g. Preside over board meetings and ensure that material issues for consideration are tabled and interrogated effectively to ensure optimal Board decision-making and governance, manage conflicts of interest and act as a link between the Board and management, particularly the Board and the CEO;
- h. Ensure that the committee's function properly;
- i. Ensure that all directors are appropriately made aware of their responsibilities through a tailored induction programme, and ensure that a formal programme of continual professional education is adopted at Board level;
- j. Monitor how the Board works together and how individual directors perform and interact at meetings and ensure that a formal performance evaluation of the Board, Board committees and individual directors is conducted at least every year and that every alternate year, an opportunity is provided for reflection and discussion by the Board of its performance and that of its committees, its chair and its members as a whole; and
- k. Ensure that internal disputes and conflicts of interest concerning individual Board members and the possible resignation of such members as a result thereof are addressed.

The Chairperson is advised not to chair any committees set up by the Board.

3.2 Vice-chairperson

The Vice-chairperson shall assist the Chairperson in the execution of his/her duties and such other functions as the Board may wish to delegate to the Vice-chairperson. Where the Chairperson is absent or unable to perform his/her duties or where the independence of the Chairperson is questionable or impaired, the Vice-chairperson must serve in this capacity for as long as the circumstances that caused the Chairperson's absence, inability or conflict exists.

3.3 Secretary to the Board

The decision to appoint or remove the Secretary is a Board decision. The Board should be assisted by a competent, suitably qualified and experienced Secretary.

The Secretary of the Board is not a director of EDB but has a direct channel of communication to the Chairperson. The Secretary to the Board is accountable to the Board and shall have the following responsibilities, amongst others:

- a. Assist the Board in ensuring adherence to the correct procedures and its obligations under the law.
- b. Assist the Chairperson of the Board in organizing the Board's activities (including providing information, preparing an agenda, reporting of meetings, evaluations,

- and training programs).
- c. Undertake an annual review and update of Board Charter and Board sub-committees' terms of reference.
 - d. Coordinate annual performance evaluations of the Board, Board Committees in line with good governance practices.
 - e. Coordinate the induction of new Board and Board subcommittees' members.
 - f. Coordinate and organize meetings related to the Board and Board subcommittee namely Audit and Corporate Governance.
 - g. Undertake any other administrative work as assigned by the Chairperson and Vice Chairperson. However, it should be Board Related Issues/Work such as assisting in implementation of Board Decisions/ Preparation of Agenda/Matters Arising & Others.
 - h. In relation to the Board / Audit and Corporate Governance Committee meeting:
 1. To prepare the agenda in consultation with the Chairperson for all the meetings of the Board of Directors and Audit and Governance Committee.
 2. To prepare minutes and resolutions of all the meetings of the Board of Directors and Audit and Corporate Governance Committee.
 3. To distribute notice of each meeting, confirming the venue, time and date within reasonable time prior to the meeting. A Calendar of Meetings should be put in place;
 4. To distribute minutes and resolutions within a reasonable time from the date of meetings.
 5. To distribute action items arising from the meeting within reasonable time after the meeting was held.
 6. To follow up on matters arising from meetings and to ensure that responses thereto is obtained and submitted as per agreed time frames.
 7. To arrange with and to call and hold meetings of the Board of Directors and Audit and Corporate Governance Committee and to provide accurate record of proceedings (both electronically and hard copy).
 8. To call for, collate, prepare, and distribute board packs to Board and Committee members (Audit and Corporate Governance Committee) in the prescribed format.
 9. Maintain attendance registers and a declaration of interests register for Board/Board subcommittee members.
 10. To maintain a resolution register and ensure that all resolutions are communicated to the relevant Directorate / Head for execution.
 11. To attend the Board and Audit and Governance Committee meetings in order to ensure that the legal requirements are fulfilled and provide such information as are necessary.
 - i. To maintain the following statutory books:
 1. The register of Board and Board subcommittee members.
 2. Minute books.
 3. Resolution Register.
 4. Register of Interest.
 - j. Assist in preparation of the Annual Report and Corporate Governance Report for insertion in the Audited Financial Statements; and
 - k. Assist in the setting up of a digital board portal for EDB.

3.4 The rights and duties of individual directors

The Board exercises its functions jointly and no non-executive director has any authority to severally perform any act on behalf of EDB unless specifically authorised or requested by the Board. Directors are jointly accountable for the decisions of the Board.

Directors have a duty to act in the best interest of the organisation, to act with due care, diligence and skill in discharging their duties as directors, to declare and avoid conflicts of interest with the organization.

Directors may at any time request a meeting with the Chairperson and will individually meet with the Chairperson on an annual basis to discuss the Board and committee matters. The Chairperson will invite non-executive directors from time to time to indicate whether they have a need to meet as a group without him/her and/or the executive management.

Directors have access to executive management and the Secretary of the Board for advice about the governance of EDB and Board procedures and may after consultation with the Chairperson, obtain such external advice as they may consider necessary to properly discharge their duties to EDB.

4. Committees

4.1 Establishment of Committees

The Board may appoint such committees from among its members as it deems necessary and shall determine the members of any committee.

The following committees have been set up by EDB:

- a. Audit and Corporate Governance Committee;
- b. Human Resource Committee;
- c. Implementation and Monitoring Committee; and
- d. Economic Strategy and Business Policy Committee.

4.2 Delegation to committees

The Board is empowered to appoint Board committees and to delegate powers to such committees but remains collectively responsible for the decisions and actions taken by any committee and shall review the effectiveness and performance of committees annually.

4.3 Committee Reporting

Each committee must promptly inform the Board of the actions it has taken and major developments of which it becomes aware. Each Board member has unrestricted access to all committee meetings and records. The Board shall, as set forth in the charter of the relevant committee receive a report from the committee describing the committee's actions and findings.

4.4 Committee Charters

The Board shall establish charters for each committee. The respective committee charters shall indicate the role, responsibilities and terms of reference of the committee, its composition and how it should perform its duties.

4.5 Website Disclosure

The charters and the composition of the committees shall be posted on the EDB's website.

5. Duties and Powers

5.1 General Duties and Powers

The roles, functions and powers of the Board, its members and its committees are determined by law, corporate governance best practices and decisions and policies of the Board.

The Board exercises its powers responsibly:

- a. in the best interests of EDB over time with due regard to the legitimate and reasonable needs, interests, and expectations of stakeholders of EDB; and
- b. in compliance with the requirements of applicable laws and principles of sound corporate governance and Board policies and procedures.

5.2 Duties Regarding the Supervision of Management

In its supervisory role towards management the Board shall consider:

- a. the achievement of the organization's objectives;
- b. the strategy and risks in the organization's activities;
- c. the structure and operation of the internal risk management, and audit and control systems;
- d. the financial reporting process;
- e. compliance with law and regulations;
- f. At least once a year, the Board shall discuss the organization's strategy and business risks, the management's assessment of the internal risk management and control systems, and any significant changes to such systems; and
- g. any other matters the law requires the Board to consider.

5.3 Duties Regarding the Members and Performance of the Board

The duties of the Board (in consultation with the appropriate Board committees) include:

- a. the establishment of committees and defining their roles, the evaluation of the Board, its individual members and its committees (including an evaluation of the Board Profile and the induction, education and training program);
- b. addressing any conflicts of interest issues between the organization and members of the Board; and
- c. At least once a year, the Board shall evaluate its own activities and those of its individual members, the effectiveness of such activities, and the composition and competence of the Board and its committees.

6. Board Meetings

6.1 Frequency

The Board shall meet as often as is necessary and at such time and place and in such manner as the Chairperson may determine.

6.2 Attendance and Quorum

Board members will use their best endeavours to attend all meetings of the Board and Board committees, including meetings called on an ad hoc basis for special matters, unless prior apology have been submitted to the Chairperson or Secretary

of the Board. Board members must be fully prepared for Board meetings to be able to provide appropriate and constructive input on matters for discussion. They are expected to participate fully, frankly, and constructively in Board discussions and to bring the benefit of their particular knowledge, experience, skills and abilities to bear in discharging their duties as directors.

Attendance in person at scheduled meetings of the Board and Board committees is preferred under ordinary circumstances, but electronic conferencing that allows full and effective participation in the meeting will be made available should attendance in person not be possible.

In the absence of the Chairperson at a meeting of the Board, the Vice-chairperson shall chair that meeting. At any meeting of the Board, five (5) members shall constitute a quorum.

The Board may co-opt such other persons as may be of assistance in relation to any matter before the Board. Such co-opted person shall have no right to vote on any matter before the Board.

Meetings of the Board can be exceptionally called at very short notice in urgent cases, as determined by the Chairperson. If a Board member is frequently absent from Board meetings, he/she shall be required to explain such absences to the Chairperson.

The CEO shall unless otherwise directed by the Board, attend every meeting of the Board and may take part in its deliberations but shall have no right to vote on any matter. If requested by the Board, other executives shall also attend meetings of the Board in whole or in part.

6.3 Agenda, Meeting Papers and Minutes

A detailed agenda, together with supporting documentation must be circulated, as far as possible, ten (10) days prior to each meeting to the members of the Board and other invitees. The Chairperson, with the assistance of the CEO and the Secretary of the Board, must ensure that the agenda, as prepared, raises all relevant issues requiring attention in such a way and sequence that effective proceedings are facilitated.

Any Board member and the CEO have the right to request that an item be put on the agenda for a Board meeting; provided that the item is notified to the Chairperson at least ten days prior to the meeting.

All meeting papers and submissions made at the Board meeting are strictly confidential and directors must under no circumstances circulate them to any other parties.

The minutes must be completed as soon as possible after the meeting and circulated to the Chairman of the Board for review thereof. The Minutes of the previous Board meeting shall be approved at the next meeting of the Board. The Minutes of every Board Meeting shall be signed by the Chairperson and the Secretary to the Board.

6.4 Voting

Each Board member has the right to cast one vote. The Chairperson shall not have a casting vote. A resolution of the Board is passed if it is agreed to by all Board members present without dissent or if a majority of the votes cast on it are in favour of it.

A Board member present at a meeting of the Board is presumed to have agreed to, and to have voted in favour of, a resolution of the Board unless he/she expressly dissents from or votes against the resolution at the meeting.

6.5 Written Resolutions

It is the policy of the Board to limit the use of written resolutions. Each member of the Board who is able to receive notice must receive notice of the matter to be decided by written resolution.

Decisions taken by written resolution other than at a meeting are valid decisions of the Board if approved by a majority of directors in office.

6.6 Irregularities

An irregularity in the notice or proceedings of a meeting is deemed to be waived if all Directors entitled to attend and vote at the meeting, attend the meeting without protest as to the irregularity, or if all such Directors agree to the waiver.

7. Annual Reports and Accounts

The Board is required to approve the annual report of the EDB in compliance with the statutory deadlines.

8. Other Positions

Board members must inform the Chairperson of the Board and the Secretary to the Board of their other positions which may be of importance to the organization or the performance of their duties before accepting such positions. If the Chairperson determines that there is a risk of a conflict of interest, the matter shall be discussed by the Board in accordance with this charter.

The Secretary to the Board shall keep a list of the outside positions held by each Board member.

All Board members are required to maintain the confidentiality of all information in accordance with the provisions of section 38 of the EDB Act.

At the end of each Board member's term of office, he/she shall return all confidential documents in his or her possession to the organisation or guarantee their disposal in a manner that ensures confidentiality is preserved.

9. Closing Statement

This Board Charter is not intended to replace or amend any statutory documents of EDB or the provisions of the EDB Act in any way whatsoever. In the event of a conflict between the EDB Act and the Board Charter, the provisions of the EDB Act shall prevail. The Board Charter is also not intended to contain a comprehensive summary of the applicable legal

principles. Board members requiring advice in respect of any matter referred to in this Charter should consult the Secretary of the Board in this regard.

This charter may be amended by the Board at its sole discretion without prior notification.

APPROVED AND ADOPTED BY THE BOARD OF THE ECONOMIC DEVELOPMENT BOARD ON 6 MAY 2023