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BINASTRA CORPORATION BERHAD
(Formerly known as Comintel Corporation Bhd)
(Registration No. 200301027648 [630068-T])
(Incorporated in Malaysia)

BOARD CHARTER

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1. INTRODUCTION

The Board of Directors (“**Board**”) of Binastra Corporation Berhad (formerly known as Comintel Corporation Bhd) (“**Binastra**” or “**Company**”) recognises Corporate Governance as being vitally important to the success of Binastra and its Group of Companies (“**Group**”) businesses. The Board is unreservedly committed to applying the principles necessary to ensure that good corporate governance is practised in all of its business dealings in respect of its shareholders and relevant stakeholders.

2. OBJECTIVES

The objectives of this Board Charter are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles of good corporate governance are applied in all their dealings in respect, and on behalf of, the Company.

This Board Charter is not an “all inclusive” document and should be read as a broad expression of principles. The Board Charter shall also read in conjunction with the relevant policies and procedures adopted by Group from time to time. The Board Charter will be reviewed on a periodic basis and may be amended by the Board as and when necessary.

3. ROLES AND RESPONSIBILITIES

3.1 ROLE OF BOARD

In discharging its duties and responsibilities and facilitating its ongoing oversight of the Group, the Board has agreed its role includes, but not limited to the following matters.

3.1.1 Ethics and Compliance

- i. The Board is charged with leading and managing the Group in an effective and responsible manner. Each Director has a legal duty to act in the best interest of the Group. The Directors are, collectively and individually, aware of their responsibilities to the shareholders and stakeholders for the manner in which the affairs of the Company are managed. The Board sets the Group’s values and standards and ensures that its obligations to its shareholders and stakeholders are understood and met.

The Board is guided by the Directors' Code of Ethics established by the Companies Commission of Malaysia, a copy of which is annexed herewith, in discharging its oversight role effectively.

- ii. The Board understands that the responsibility for good corporate governance rests with them and therefore strives to follow the principles and best practices stated in the Malaysian Code on Corporate Governance (“MCCG”). The Board includes a narrative statement in its Company’s Annual Report on the extent of compliance with the principles and best practices in Corporate Governance pursuant to the Listing Requirements (“LR”).
- iii. The Board meets in person five (5) times a year to facilitate the discharge of their responsibilities. Members of the Management who are not Directors may be invited to attend and speak at meetings on matters relating to their sphere of responsibility.
- iv. The Board establishes the corporate vision and mission, as well as the philosophy of the Company, setting the aims of the Management and monitoring the performance of the Management.

3.1.2 Policies and Strategies

- i. The Board oversees the Company policies as a whole. This includes the Code of Conduct and Ethics for Directors, Management and employees of the Company and its subsidiaries (the “Group”) and other significant policies recommended under the MCCG. The Code of Conduct and Ethics promotes ethical values and standards in the workplace while enduring appropriate internal systems are in place to support, promote and ensure its compliance.
- ii. The Board reserves full decision-making powers on the following matters:-
 - a) Conduct of the Company’s business;
 - b) Adopting strategic planning for the Company;
 - c) Governance and compliance matters;
 - d) Sustainability and succession planning;
 - e) Conflict of interest issues relating to a substantial shareholder or a Director;
 - f) Material acquisitions and disposition of assets not in the ordinary course of business;
 - g) Investments in capital projects;

- h) Treasury policies;
- i) Internal controls and Risk management policies; and
- j) Shareholders' communication policy, stakeholder liaison and other key human resource issues.

3.2 ROLE OF INDIVIDUAL DIRECTORS

- i. Directors are expected to comply with their legal, statutory and equitable duties and obligations when discharging their responsibilities as Directors. Broadly these include:-
 - a) Acting in good faith and in the best interests of the Company as a whole;
 - b) Acting with due care and diligence and for proper purpose;
 - c) Avoiding conflicts of interest with the Company in a personal or professional capacity; and
 - d) Refraining from making improper use of information gained through the position of director and from taking improper advantage of the position of director.
- ii. Directors will keep all Board information, discussions, deliberations and decisions that are not publicly known confidential and not use information gained through the Board for their interest, or their employers' interest.

3.3 ROLE OF CHAIRMAN

- i. The Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The role of the Chairman includes:-
 - a) Presiding at all Board meetings;
 - b) Monitor the workings of the Board, especially the conduct of Board meetings;
 - c) Ensure that all relevant issues for the effective running of the Company's business are on the agenda;
 - d) Ensure that quality information to facilitate decision making is delivered to Board members on a timely basis;
 - e) Encourage all Directors to play an active role in Board activities;

- f) Chair general meetings of shareholders;
- g) Liaise with the Managing Director (“MD”) and Company Secretary on the agenda for Board meetings; and
- h) Act as facilitator at Board meetings to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussion takes place.
- i) Between Board meetings, the Chairman shall maintain an informal link between the Board and the MD. The Chairman shall be kept informed by the MD on all important matters affecting the Company.

3.4 ROLE OF MANAGING DIRECTOR

- i. The MD is primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective running of the Group.
- ii. The MD is responsible for the development and implementation of the strategies for the Group and setting the overall strategic policy and direction of the Group’s business operations based on effective risk management controls.
- iii. The MD ensures that the financial management practice is performed at the highest level of integrity and transparency and that the business and affairs of the Group are carried out in an ethical manner and in compliance with the relevant laws and regulations.
- iv. The MD provides effective leadership to the Group and is responsible for ensuring high management competency and that an effective management succession plan is in place to sustain continuity of operations.
- v. The MD is the conduit between the Board and the Management in ensuring the success of the Company’s governance and management functions.
- vi. The MD implements the policies, strategies and decisions adopted by the Board. All Board authorities conferred on the Management is delegated through the MD and this will be considered as the MD’s authority and accountability as far as the Board is concerned.

3.5 ROLE OF COMMITTEES

- i. The Board may from time to time establish appropriate committee(s) to assist in the discharge of its responsibilities. However, the Board will not delegate any of its decisions making authority to those Board Committees. The Board has established the following Board Committees with specific Terms of Reference:

- a) Audit and Risk Management Committee
 - b) Nomination Committee
 - c) Remuneration Committee
- ii. Each formerly constituted Board Committee will have written terms of reference, approved by the Board. Independent and Non-Executive Directors play a leading role in these Committees. Management and third parties are co-opted to the committees as and when required.
- iii. Formal minutes of each Board Committee meeting will be circulated to the Board at quarterly meetings so that the Board aware of the activities/conduct of each of its Board Committee.

4. COMPOSITION AND BOARD BALANCE

4.1 Size and Composition

- i. The Board recognises the importance of ensuring a balance of power and authority between the Chairman and the MD with a clear division of responsibility between the running of the Board and the Company's business respectively. The positions of Chairman (i.e. Non-Executive Chairman) and MD are separated and clearly defined.
- ii. The Board consists of qualified individuals with diverse experiences, backgrounds and perspectives. The composition and size of the Board is such that it facilitates the making of informed and critical decisions. The Constitution of the Company provides that there will be a minimum of two (2) and a maximum of nine (9) Directors.
- iii. At any one time, at least two (2) or one-third (1/3) of the Board, whichever is higher, shall be Independent Directors and one (1) Director is a woman.
- iv. Profiles of Board members are included in the annual report of the Company.

4.2 Nomination and Appointments

- i. The appointment of a new Director is a matter for consideration and decision by the full Board upon appropriate recommendation from the Nomination Committee.
- ii. The directorships held by any Board member at any one time shall not exceed five (5) in listed companies.

4.3 Succession Planning

- i. The Board, as a whole, shall be responsible, for selecting its own members and in recommending them for election or re-election by the Company's shareholders.
- ii. The Board has delegated the screening process involved to the Nomination Committee.
- iii. The MD shall be responsible for setting the strategic direction and monitoring the implementation of Executive management development programmes and succession planning.

4.4 Re-election

Subject to the Company's Constitution, all Directors are subject to retirement by rotation at least once in every three (3) years and is eligible for re-election.

4.5 Independence

- i. An Independent Non-Executive Director is independent of management and free of any significant business or other relationships that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment, and who otherwise meet the criteria for independence.
- ii. The Independent Directors provide independent judgment, experience and objectivity without being subordinated to operational considerations.
- iii. The Independent Directors help to ensure that the interests of all shareholders, and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subject to objective and impartial consideration by the Board.
- iv. The views of the Independent Directors should carry significant weight in the Board's decision making process.
- v. The Board undertakes to assess the independence of the Independent Directors on an annual basis upon readmission or when any new interest or relationship develops.

4.6 Tenure of Independent Director

- (i) The tenure of an Independent Director should not exceed a cumulative term of nine (9) years from the date of first appointment. Upon completion of nine (9) years, the Board may subject to the assessment of the Nomination Committee, on an annual basis at annual general meeting, recommend and subject to valid justifications and obtaining shareholders' approval, retain an Independent Director beyond the nine (9) years' term through a two-tier voting process. Should the resolution tabled to the shareholders to retain an Independent Director who has served for nine (9) years or more in the same capacity defeated, the said Independent Director may continue to serve on the Board but shall be redesignated as a Non-Independent Non-Executive Director.
- (ii) Where the tenure of an Independent Directors exceeds a cumulative term of twelve (12) years or more in the same capacity, the said Independent Director if continue to serve on the Board, shall be redesignated to non-independent director.

4.7 Time commitment for accepting new directorships

Directors are expected to have such expertise so as to qualify them to make a positive contribution to the Board performance of its duties and to give sufficient time and attention to the affairs of the Company. Any director shall notify the Chairman before accepting any new directorship and the notification shall include the indication of time that will be spent on the new appointment.

5. PERFORMANCE

5.1 Assessment / Board Evaluation

The Board recognises the importance of assessing the effectiveness of individual Directors, the Board as a whole and its Committees. The Board through its Nomination Committee reviews and evaluates its own performance and the performance of its Committees on an annual basis.

5.2 Directors' Training and Development

In addition to the mandatory programmes as required by the Bursa Securities, Board members are encouraged to attend training programmes conducted by highly competent professionals and which are relevant to the Company's operations and business. The training needs of each Director is assessed and proposed by the respective Directors to ensure Directors have access to continuing education programme. The Board shall disclose in the annual report the trainings attended by the Directors.

6. MEETINGS

6.1 Board meetings

- i. The Company aims to provide all Directors with timely and quality information and in a form and manner appropriate for them to discharge their duties effectively.
- ii. The Management is responsible for providing the Board with the required information in an appropriate and timely manner. The Chairman, assisted by the Company Secretary, assesses the type of information required to be provided to the Board. If the information provided by the Management is insufficient, the Board will make further enquiries where necessary to which the persons responsible will respond as fully and promptly as possible.
- iii. A full agenda and comprehensive Board papers are circulated to all Directors in advance of each Board meeting.

6.2 Annual General Meeting (“AGM”)

- i. The Board regards the AGM as an important event in the corporate calendar of which all Directors and key senior executive should attend.
- ii. The Company regards the AGM as the principal forum for dialogue with shareholders and aims to ensure that the AGM provides an important opportunity for effective communication with, and constructive feedback from, the Company’s shareholders.
- iii. The Chairman encourages active participation by the shareholders during the AGM. To encourage poll voting during AGM, the Chairman shall inform shareholders of their right to demand for a poll at the commencement of the meeting.
- iv. The Chairman and, where appropriate, the MD responds to shareholders’ queries during the meeting. Where necessary, the Chairman will undertake to provide a written answer to any significant question that cannot be readily answered at the meeting.

6.3 Extraordinary General Meeting (“EGM”)

The Board will convene an EGM whenever it thinks fit for matters requiring approval of the shareholders and consider requisitions by shareholders as provided by the Companies Act 2016.

6.4 Leverage on Technology to Facilitate Greater Shareholders' Participation at General Meeting

The Board will leverage technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on the resolution(s) at its general meetings.

7. REMUNERATION POLICY

- i. The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved, but without paying more than is necessary to achieve this goal.
- ii. The level of remuneration for the MD and Executive Directors is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar Malaysian public listed companies for the decision of the Board.
- iii. No Director other than the MD and Executive Directors shall have a service contract with the Company.
- iv. There is adequate disclosure in the Annual Report with a note on the remuneration of Directors.

8. ACCESS TO INFORMATION AND INDEPENDENT ADVICE

- i. Directors may have access to such information and seek such independent advice as they individually or collectively consider necessary to fulfil their responsibilities and permit independent judgment in decision making.
- ii. Directors will be entitled to:-
 - a) Access members of the senior management at any time to request relevant and additional information or seek explanations;
 - b) Have access to internal and external auditors, without management presence to seek explanations or additional information; and
 - c) Seek independent professional advice which will be at the Company's expense.

9. FINANCIAL REPORTING

9.1 Transparency

- i. The Company aims to present a clear and balanced assessment of the Company's financial position and future prospects that extends to the interim and price-sensitive information and other relevant reports submitted to regulators.
- ii. The Directors ensure that the financial statements are prepared so as to give a true and fair view of the current financial status of the Company in accordance with the approved accounting standards.
- iii. The Company announces to Bursa Securities its unaudited quarterly financial results as early as possible within two (2) months after the end of each quarterly financial period.
- iv. The Directors shall prepare and send to every shareholder and laid before the Company in its AGM the audited financial statements and reports of the directors and auditors in accordance with the Companies Act 2016. The interval between closed of a financial year end of the Company and the issue of the audited financial statements and reports of the directors and auditors shall not exceed four (4) months.
- v. The Auditors Report shall contain a statement from the Auditors explaining their responsibility in forming an independent opinion, based on their audit, of the financial statements.

9.2 Company Auditors

- i. The Board has established formal and transparent arrangements for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the Company Auditors through its Audit and Risk Management Committee.
- ii. The Audit and Risk Management Committee also keeps under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Company Auditors. The Company ensures that the Company Auditors do not supply a substantial volume of non-audit services to the Company.
- iii. Appointment of the Company Auditors is subject to the provisions in the Companies Act 2016.

10. INTERESTS OF STAKEHOLDERS

10.1 Shareholders

- i. The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Company and as such adopts an open and transparent policy in respect of its relationship with its shareholders and investors.
- ii. The Board ensures the timely release of financial results on a quarterly basis to provide shareholders with an overview of the Company's performance and operations in addition to the various announcements made during the year.
- iii. The Company leverage on information technology for effective dissemination of information. The Company's website provides easy access to corporate information pertaining to the Company and its activities and is continuously updated.

10.2 Employees

- i. The Board acknowledges that the employees are invaluable assets of the Company and play a vital role in achieving the vision and mission of the Company.
- ii. The Company adopts a documented policy with respect to the safety and security with the objective of providing a safe and healthy working environment for all employees.

10.3 Social Responsibility

- i. The Board acknowledges that the Company should play a vital role in contributing towards the welfare of the community in which it operates.
- ii. The Company supports charitable causes and initiatives on community development projects.

11. CONFLICT OF INTEREST

- i. Board members are required to disclose to the Board any actual or potential conflicts of interest which may exist or be thought to exist as soon as they become aware of the issue;
- ii. Board members are required to disclose their shareholdings in the Company, other directorships and any potential conflicts of interest.
- iii. Board members should abstain themselves from discussion or decisions on matters in which they have a conflicting interest. They may also be required to leave the Board room or meeting room during the discussion or decision making by the Board on matters in which the interested Directors have a conflicting interest.