



BINTAI KINDEN CORPORATION BERHAD
[Registration No. 199401005191 (290870 P)]
("BINTAI")

BOARD CHARTER

The Board of Directors of Bintai recognises the importance of upholding and continuously strive to ensure that Good Corporate Governance is implemented and carried out throughout Bintai and its subsidiaries ("**Bintai Group**") as an integral part of business dealings and organisation culture.

PRINCIPLE

1. The Board is primarily responsible for ensuring that Bintai has appropriate corporate governance structure aimed at creating and protecting shareholders' value.
2. The Board is also responsible for ensuring that management recognises Bintai's legal and other obligations to all legitimate stakeholders such as shareholders, customers, suppliers, employees, government, regulators and public at large.
3. The Board view that Bintai's obligations to its stakeholders require appropriate accountability and in place of adequate control system.
4. This Charter will be reviewed by the Board regularly on an annual basis to ensure consistency with the Board's objectives, responsibilities and comply with the relevant standards of corporate governance.

COMPOSITION AND GOVERNANCE

Board composition

The Board should comprise:-

- at least two directors or one-third of its Board (whichever is higher) whom are independent directors. If the number of directors is not 3 or a multiple of 3, then the number nearest to 1/3 must be used. If a vacancy in the Board results in non-compliance with the required composition, the vacancy must be filled within 3 months pursuant to paragraph 15.02 of the Main Market Listing Requirement ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**");
- directors who possess the qualification, relevant skills, qualities and experience towards achieving the Company's goals;
- appropriate mix of knowledge, attributes and core competencies of directors;
- a meaningful proportion of non-executive directors with key attribute of independence. Such directors should ensure that the varied competing interests of all stakeholders are respected without sacrificing financial performance and accountability;
- the recommended ratio of gender diversification between male and female directors as emphasized by the latest Malaysian Code of Corporate Governance 2021 ("**MCCG 2021**") where companies are encouraged to have 30% gender diversification in female.

Responsibilities and Duties of the Board

1. The Board is responsible for setting strategic direction and monitoring the implementation of that strategy within Bintai Group, including:
 - (i) Overall control and accountability systems;
 - (ii) Appointing and removing CEO and Company Secretary;
 - (iii) Board and Executive Management Development and succession planning;
 - (iv) Monitoring and approval of corporate strategy, annual operating budget, major capital expenditures, acquisitions / disposals / divestments;
 - (v) Monitoring compliance with relevant legal, tax and regulatory obligations;
 - (vi) Reviewing and monitoring systems of risk management and internal compliance and controls, codes of conduct, continuous disclosures, legal compliance and other significant corporate policies.
2. Each member of the Board must, in the process of discharging its duties:
 - (i) Exercise care and due diligence;
 - (ii) Act in good faith in the best interests of Bintai Group;
 - (iii) Without misusing of information in the capacity as Director;
 - (iv) Commit the time necessary to discharge effectively his/her role as Director.
3. All Directors (including Executive Directors) are entitled to be heard at all meetings and should bring an independent judgement to bear in decision making.
4. The Board review performance of its Directors individually and the Board as a whole once in a calendar year.

Role of Chairman

The Chairman is primarily responsible for orderly conduct and function of the Board. The role and responsibilities of the Chairman include:

- (a) Leading the Board in setting its values and ethical standards of the Company;
- (b) Chairing meetings of the board and stimulating debates on issues and encouraging positive contributions from each Board member;
- (c) The Chairman should consult with the Managing Director and Company Secretary in setting agenda for board meetings and ensures all relevant issues are on the agenda.
- (d) Ensuring Board proceedings are in compliance with good conduct and best practices;
- (e) Maintaining a relationship of trust with and between the Executive and Non-Executive Directors;
- (f) Ensuring accurate, timely and clear information to Directors are provided;
- (g) Ensuring effective communication with shareholders and relevant stakeholders;
- (h) Arranging for regular evaluation of performance of Board Members, its Committees and individual Directors;

- (i) Facilitating effective contribution of Non-Executive Directors and ensuring constructive discussions at board meetings;
- (j) In determining policies matters, the Chairman should ensure that the following are carried out:-
 - (i) All directors are properly briefed on issues arising at board meetings;
 - (ii) There is sufficient time allowed for discussion on complex or contentious issues and where appropriate, arranging for informal meetings beforehand to enable thorough preparations.
- (k) The Chairman should allow every board resolution to be voted on and ensure the will of the majority prevails.
- (l) The Chairman shall cast his votes in accordance with the Constitution of the Company.
- (m) The Chairman shall act as liaison between the Board members and the Management, and in particular between the Board and the Managing Director.

Role of Chief Executive Officer

The Chief Executive Officer is responsible for the day-to-day running of the Group's business, implementation of the Board's policies and making operational decisions. He is assisted in managing the Group's business by the Management. The role of the Chief Executive Officer are as follows:

- ***To the Board & Company***

- (1) To develop and recommend to the Board a long term strategy and vision for the Company and/or Group that leads to the creation of long-term prosperity and shareholders' value.
- (2) To develop and recommend to the Board the operational plan and budget that support the Company's and/or Group's long term strategy.
- (3) To foster a corporate culture that promotes ethical practices, encourages individual integrity and for the fulfilment of the Company's corporate social responsibilities.
- (4) To maintain a positive and ethical working environment that is conducive to attracting, retaining and motivating a diverse work-force at all levels.

- ***To the Management & Business Operation***

- (1) To recommend suitable management structure and operating authority levels which include delegations of responsibilities to the management.
- (2) To ensure an effective management team below the level of the Chief Executive Officer and to develop an active succession plan.
- (3) To formulate and oversee implementation of major corporate policies.
- (4) To be accountable to the Board for the financial management, reporting, including forecasts, budgets of the Company/Group.

- (5) to ensure continuous improvement in quality and value of the Company's products and services.
- (6) To serve as representative of the Board.
- (7) To refer to the Board committees on matters requested from time to time.

Board Committees

1. To assist the Board in fulfilling its duties and responsibilities, the Board has established Board Committees namely the Audit Committee, Risk Management Committee, Nomination Committee, Remuneration Committee, Executive Committee and Strategic Planning and Investment Committee, all of which are governed by their respective formal terms of reference with certain degree of delegations.
2. Each Committee will report its deliberation and recommendation to the Board of Directors for approval.

Matters reserved for Board's Deliberation and Decision making

The Board has the overall accountability and responsibility for oversight and control of the Company's performance and conformance capabilities in the aspects of financial performance, risk management and succession planning which include, inter-alia, the following :-

- (i) Reviewing and adopting a strategic business and investment plan for the Company including corporate exercises and restructuring plans aligned to ensure obligations to shareholders and stakeholders as well as compliance with the relevant authorities are met;
- (ii) Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed, the Board should therefore provide entrepreneurial leadership;
- (iii) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks - the Board should appraise the Company's major risks and oversee that appropriate risk management and internal control procedures are in place;
- (iv) Succession planning, including appointing, training, fixing the compensation of and, where appropriate, replacing Senior Management - the Board should oversee the human capital development process, monitoring and compensation against pre-determined evaluation criteria;
- (v) Ensuring the development and implementation of an investor relations programme or shareholder communication channels such as telephone, mail, email, facsimile and corporate website are intact and updated from time to time;
- (vi) Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- (vii) Procedures in place should be designed to ensure that the assets of the Company are safeguarded against loss from unauthorised use/disposition and all transactions of the Company are properly authorised and that they are recorded as necessary to enable the preparation of true and fair financial statements and their related disclosures as required of the Company;

- (viii) Discussion and approval on capital expenditure ie. acquisition and disposal of capital items, treasury matters such as financing arrangements as well as approval of financial statements (quarterly/year end financial results);
- (ix) Setting up appropriate authority limits relevant to the business operations of the Company;
- (x) Determining the level of adequate capital for the Company where the amount of capital needed by the Company will vary with the degree of risk inherent in its assets and should be able to meet the minimum regulatory requirement of the Company;
- (xi) Reviewing the terms of office of the Audit Committee not less than once in every three (3) years based on each of its members performance, in order to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference; and
- (xii) Reviewing the responsibilities of each Board Committee as and when required.

Financial Reporting & Integrity

The Board aims to present a balanced and understandable assessment of the Group's financial position and prospects and ensures that the financial statements are of reliable source of information for shareholders and other stakeholders. The Board will ensure that the Audit Committee obtains written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Sound Risk Management Framework and Internal Control System

The Board ensures that there is an ongoing process for identifying and managing significant risks faced by the Group. The Board believes that maintaining a sound system of internal control is based on a clear understanding and appreciation of the following key elements:

- (a) Determining the Company's level of risk tolerance and activity identified, assessing and monitoring the key business risks to safeguard shareholders; investments and the Company's assets;
- (b) Commitment to articulate, implement and review the Company's internal control systems;
- (c) Periodic testing of the effectiveness and efficiency of the internal controls procedures and processes to be conducted to ensure that the system is viable and robust.

The Management has carried out a risk assessment review on the Company's and Group's operations, which covers all aspects of the business activities. The risk profiles including its tolerance level thereof, and risk registers are reported by the Management to the Audit Committee on a quarterly basis. The Chairman of the Audit Committee reports the significant risks and control issues (if any) to the Board for its consideration.

Enhancement to System of Internal Control

The scope of activities of the Internal Audit function include the following:

- (a) Review and appraise the soundness, adequacy and application of the system of internal controls and recommend improvements thereon;

- (b) Ascertain the extent of compliance with established policies, procedures and statutory requirements;
- (c) Appraise the reliability, integrity and usefulness of financial and management information developed;
- (d) Review the controls for safeguarding assets and as appropriate, verify the existence of assets; and
- (e) Identify ways and opportunities to improve the effectiveness and efficiency of the operations and processes of the Group.

The adequacy and effectiveness of the internal control is assessed by adopting a systematic approach in reviewing the Group's business and operational control, risk management and governance process.

Internal Audit Function

The Group has been outsourcing the Internal Audit Function to NBS Smart Focus Sdn Bhd which undertakes regular and systematic review of the system of controls so as to provide reasonable assurance to the Audit Committee on the adequacy of the internal controls and that they have been operating satisfactorily and effectively. The Internal Audit function adopts a risk-based approach and prepares its audit strategy and plan based on the updated risk profile of the Company.

The objectives of the assignment are to independently review the system of internal control as established by the Management, the adequacy of such internal control system in relation to the objectives and make appropriate recommendations for improvement. The Management shall carry out four cycles of internal audit for each financial year under review, and findings from the internal audit shall be communicated to the Audit Committee for review and endorsement.

The Audit Committee considers/reviews the report from the Internal Audit Function and Management responses, before reporting and making recommendations to the Board in strengthening the risk management and internal control systems.

General Meetings

General Meetings are important avenues for shareholders to exercise their ownership rights. The Board shall facilitate the exercise of these rights and take reasonable steps to encourage shareholders' participation at general meetings, by serving notices for meetings as required by law and regulations. The Board shall disclose all relevant information to shareholders to enable them to exercise their rights by attending the general meetings (whether via physical meeting or online) and vote in the appropriate manner. All resolutions set out in the notice of general meetings is mandated to be carried out by poll voting. The Board announce the detailed results showing the number of votes cast for and against each resolution of general meetings at the end of the meeting as well as to the public via Bursa Securities' online portal.

Board Meetings and Procedures

- (i) Meetings of the Board of Directors and of Board Committees are held in accordance with the requirements of the authorities (if applicable) and shall be held as and when deemed necessary, whether via physical meeting or online meeting.
- (ii) The meeting papers accompanied with the relevant notes and explanatory details for the respective meetings shall be distributed at least 3 days before the meeting.
- (iii) Board meetings should be conducted in a business-like manner where all directors feel encouraged to share their views and partake in discussions. A fair judgment should be given when an opinion, particularly a defiant one, is voiced.

- (iv) Directors can resolve certain matters by way of circular resolutions which must be practiced with prudence in giving their consent particularly on matters that involves material transactions such as acquisition and/or disposal of assets, litigation, financial and other corporate matters.
- (v) Minutes of meetings must be prepared on time and be reviewed by Chairman of the respective meeting, to ensure completeness and accuracy, before sending the same to the rest of the members prior to the next meeting.
- (vi) The Company Secretary are delegated to record the Board's deliberations and decisions made in Board Meetings and assist the Board to come up with a meaningful review of outstanding major action items from previous meetings.
- (vii) The Chairman is also assisted by the Company Secretary to monitor technical matters including:-
 - Timely circulation of proper notice of meetings together with the agenda;
 - Punctuality of directors for Board meetings;
 - Presence of a quorum which shall not be less than two (2);
 - Accuracy of the agenda content;
 - Reasonable time for directors to consider Board papers prior to the Board meeting;
 - Adherence to the Company's Constitution (Articles of Association) and Board Policies and Procedures; and
 - Applicable provisions of the Companies Act 2016 and the MMLR and other regulatory requirements.
- (viii) A candid discussion of current issues, which may significantly affect the business of the Company, should be encouraged. These issues include but not limited to the followings:-
 - Risk management matters including anti-bribery management system;
 - Major economic and industry trends;
 - Adverse publicity/rumours concerning the Company and/or its subsidiaries, if any;
 - Changes in regulatory requirements in the industry/business that the Company operates in; and
 - Monitoring of Management's performance.
- (ix) The Board should conduct a review on the Company's performance, i.e. financial results and operations of the current quarter, year-to-date and forecast.

Remuneration Committee

The Remuneration Committee shall comprise **a majority of non-executive** directors. The Board should review for approval recommendations from the Remuneration Committee on remuneration packages of executive directors and fees of independent directors, and recommend the proposed directors' fee to be approved by shareholders' at the annual general meeting of the Company.

Nomination Committee

The Nomination Committee shall comprise **exclusively non-executive** directors, of whom **majority** must be **independent**. The Nomination Committee must review the appointment, resignation, termination of directors, company secretaries and key personnel before recommending to the Board of Directors for approval and ensure that the relevant documentation are duly executed and documented.

It is also responsible to evaluate the performance of the Board as a whole and Individual Directors and report to the Board on areas to be improved upon, if any.

The Nomination Committee is also delegated to review candidate for appointment as new Director of the Company, if any, as well as to recommend to the Board, the Directors who are due to retire for reelection and/or reappointment at the Company's annual general meeting.

Access to Information and Independent Advice

The directors should have access to all information within the Company whether as a Board or in their individual capacity. It is essential for directors, particularly non-executive directors, who are not involved in the day-to-day operations of the Company, to have access to the information that enables them to better understand and assess the Company's performance.

Pursuant to paragraph 15.04 of the MMLR, every director has the right to the resources, whenever necessary and reasonable for the performance of his duties, at the cost of the Company and in accordance with a procedure to be determined by the Board, including but not limited to obtaining:-

- Full and unrestricted access to any information pertaining to the Company;
- Full and unrestricted access to the advice and services of the Company Secretary; and
- Independent professional or other advice.

Continuing Education

It is important for directors to keep abreast of regulatory changes and developments in corporate governance through reading and attendance at relevant training programmes.

Directors should also keep up with broad business trends through the reading of relevant industry and business publications, attending relevant conferences and expositions, and meeting up with authorities, financiers, overseas businessmen and others who may be a source of useful information.

The Board via Nominating Committee must evaluate the training needs of its directors and ensure that their training needs are met. Competencies of members need to be refreshed by participation in:-

- Seminars and workshops that highlight techniques of enhancement of shareholder value and methods of evaluating business performance and capital proposals;
- Updating of regulatory and legislative reforms that impact Board and committee work;
- Understanding of financial statements and investment products which the Company may be exposed to; and
- Industry conferences and trade shows which strengthen professional networking and enable the gaining of insights of customers and competitors.

In relation to directors' training, paragraph 15.08 of the MMLR requires directors to comply with the following:-

- (1) A director of a listed company must ensure that he attends such training programmes as may be prescribed by Bursa Securities from time to time.
- (2) Bursa Securities considers continuous training for directors of listed companies as important to enable the directors to effectively discharge their duties. In this respect, the Board of a listed company must on a continuous basis, evaluate and determine the training needs of its directors. The subject matter of training must be one that aids the director in the discharge of his duties as a director. The Board must disclose in the listed company's annual report whether its directors have attended training for the financial year. Where any of its directors have not attended any

training during the financial year, the Board must state the reasons thereof in the annual report for each director.

- (3) Chapter 9 Appendix 9C (Part A, Paragraph 28) of the MMLR mandates a statement by the Board containing a brief description on the type of training directors have attended for the financial year. Where any of the directors have not attended any training during the financial year, the reasons thereof for each director must be stated.

Time Commitment

The Board to set out expectations on time commitment for attending Board Meetings and General Meetings for all Directors and protocols for accepting new directorships.

The Directors are expected to confirm that they will be in a position to allocate sufficient time to meet the expectation of his role as a Director.

The Directors are advised to notify the Chairman including indication of time that will be spent on the new appointment before accept any new directorship.

Code of Conduct for Directors

- To uphold the best interest of the Company and/or Group and its stakeholders;
- To have a clear understanding of the objectives, capabilities and capacity of the Company;
- To devote time and effort to attend meetings and to know what is required of the Board and each of its Directors, and to discharge those functions;
- To ensure that the Company is properly managed and effectively controlled at all times;
- To stay abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant legislations and contractual requirements;
- To insist on being informed on all matters of importance to the Company in order to be effective in corporate management and to maintain sufficient detailed knowledge of the Company's and/or Group's business and performance and make informed business decision;
- To limit his directorship of companies to a number in which he can best devote his time and effectiveness; each director has to make his own judgement of his abilities and how best to manage his time effectively in the Company in which he holds directorship. In case of directorships in listed issuers, he must comply with the MMLR;
- To have access to the advice and services of the Company Secretary who is responsible to the Board to ensure proper procedures, rules and regulations are complied with;
- To exercise his powers for the purposes they were conferred, for the benefit and prosperity of the Company at all times;
- To disclose immediately all contractual interests whether directly or indirectly with the Company and also to disclose immediately all related party transactions with the Company and the Group;
- To neither divert to his own advantage any business opportunity that the Company is pursuing nor use confidential information obtained by reason of this office for his own advantage or that of others;
- To act with utmost good faith towards the Company in any transaction and to act honestly and responsibly in the exercise of his powers in discharging his duties at all times;
- To exercise independent judgement and if necessary, openly oppose, if the vital interest of the Company is at stake;
- To act with integrity, professionalism and in good faith;
- To meet regularly with the Chief Executive Officer to continuously establish and approve policies;
- To assess, question and challenge the policies and procedures with the intent to identify and initiate management action on issues;

- To keep the Board discussions and deliberations confidential;
- To act in a manner as expected of a fiduciary of interests arising from related party transactions, potential misuse of corporate assets, privileged information;
- Not to be in competition with the Company;
- To declare any potential conflict of interest.

Investor Relation and Effective Communication with Stakeholders

The Board acknowledges the need for effective investor relation and communication with stakeholders:

- **Shareholders**

Shareholders are provided with all relevant information affecting the Company, and as such adopts an open transparent policy and the Board shall also endeavour to ensure timely release of information to shareholders. To achieve this, the Company has implemented amongst others, the following:

- (a) Timely release of announcements and disclosure made in accordance with the MMLR of Bursa Securities, which include quarterly financial results, material contracts awarded and any other material information that may affect investors' decision makings;
- (b) Encouraging full participation of shareholders at all Annual General Meeting ("AGM") to ensure a high level of accountability and discussion of the Company's strategy and goals. The Company will also invite the external auditors to attend the AGMs and be available to answer any question from shareholders regarding the conduct of audit and preparation and content of the auditors' report;
- (c) Disclosing the summary of the Group's investor relation activities during the financial year (if any) and additional corporate information and/or disclosure of the Group for reference on the Company's official website.

- **Employees**

Employees are invaluable assets of the Company and play a vital role in helping the Company to achieve its vision and mission. The Board endeavours to provide a conducive working environment in their workplace and adopts a comprehensive and documented policies and procedures in Occupational Safety and Health with the objective of ensuring safety and health at the workplace for all employees.

- **Social Responsibility**

The Board acknowledges that the Company should play an important role in contributing towards the welfare of the community in which it operates and shall continuously identify opportunities supporting charitable causes and initiatives in community development projects.

- **Environment**

The Board acknowledges the need to safeguard and minimise the impact to the environment in the course of achieving the Company's objectives. The Board's agenda reflects the commitment to economic support for longer term sustainability with a focus on the positive impact on the environment, community and society.

Promote Sustainability via Corporate Social Responsibility (“CSR”)

The Company is committed to fulfil its CSR and contribute to the realisation of a sustainable future by drawing on strengths based on its core activities. The Company’s commitment towards achieving its CSR vision which is in line with the Group’s corporate mission through:-

- Focusing on the responsibilities emphasised in its corporate philosophy;
- Heartening the communities in which it operates;
- Maintaining high integrity at the market place through ethical business conduct, good corporate governance practices and enhancement of the shareholders’ value;
- Creating a safe and conducive working environment for its employees with great concerns on their safety, health and welfare; and
- Minimising its impact on the environment through implementation of environmental-friendly work processes.

Whistle Blowing Policy

The Group believes in adopting high standards of integrity, honesty and accountability in the conduct of its businesses and operations. The Group aspires to conduct its business affairs in the most ethical, responsible and transparent manner possible.

All employees and the public are encouraged to disclose any improper conduct in accordance with procedures provided under this policy.

(a) Objective

The objective of this policy is to position the Company and all its subsidiaries (“**Bintai Group**”) in providing an avenue for its employees and/or stakeholders to raise concerns in confidence, disclose any fraud, corruption/bribery/blackmail, theft or embezzlement, misuse of Company’s property, abuse of power, criminal offences, failure to comply with legal or regulatory obligation, miscarriage of justice or endangerment of an individual’s health and safety of which they become aware, and to ensure that the employee and/or stakeholder who reports allegations of such concerns will be protected from possible reprisals or retaliations if he/she has a reasonable belief that the disclosure was made in good faith.

(b) Scope of Policy

This policy is designed to facilitate employees and stakeholders a specific means to disclose or report through established channels, concerns on any improper conduct (misconduct or criminal offence).

The above list is not exhaustive and includes any act or omissions, which, if proven, will constitute an act of misconduct under the Company’s Code of Conduct and Business Ethics or any criminal offence under relevant legislations in force.

Only genuine concerns should be reported under the Whistle Blowing procedures. This report should be made in good faith with a reasonable belief that the information and any allegation in it are substantially true, and report is not made for personal gain, malicious and false allegations by the whistle blower will be viewed seriously and treated as a gross misconduct and if proven may lead to dismissal or termination of the whistle blower who abuses this policy.

Policy Statement

- (a) Employees of Bintai Group is committed to achieve and maintain high standards in their performance in work.
- (b) All employees of Bintai Group are encouraged to report promptly and genuine concerns about any grievances within the scope of the Whistle Blowing Policy without fear of reprisal should they act in good faith in reporting. Any employee who wishes to report improper conduct is required to disclose his/her identity to the Company in order for the Company to accord the necessary protection to him/her. However, the Company reserves its rights to investigate into any anonymous disclosure.
- (c) Bintai Group views that any harassments or retaliations in any forms or manner against genuine whistle blowers seriously and will treat such actions as gross misconduct, which if proven, may lead to dismissal or termination of the person/parties harassing or retaliating in any form or manner against genuine whistle blower.
- (d) Bintai Group assures individual employee and stakeholder who raises issues of concern that he/she will be protected from any adverse impact on their employment or relationship with Bintai Group as a result of his/her reporting, provided the report is made in good faith and without malice.

Procedures

In the case of Bintai Group employees, any concern should be raised with his/her immediate superior, and in Bintai Group stakeholders, any concern should be raised with the immediate superior of the employee concerned.

If for any reason, it is believed that this is not possible or appropriate, then the concern should be reported to the Chairman and/or the Chief Executive Officer of Bintai Kinden Corporation Berhad.

(a) Channel of reporting to Chairman

Name : Datuk Ibrahim Bin Othman
Email address : ibo3yem@icloud.com
Mail : Mark "Strictly Confidential"

(b) Channel of reporting to Chief Executive Officer

Name : Datuk Tay Chor Han
Email address : sonnytay@bintai.com.my
Mail : Mark "Strictly Confidential"

(c) Channel of reporting concerning management to Audit Committee Chairman

Name : Mr. Ooi Jit Huat
Email address : russooi@gmail.com
Mail : Mark "Strictly Confidential"

Action

- (a) All reports will be investigated promptly by the person receiving the report who should promptly report to the management, if appropriate. If required, he/she can obtain assistance from other resources within Bintai Group. The progress of investigation will be reported to the Audit Committee not later than the next scheduled meeting.
- (b) Anonymous reports received will be treated with integrity and confidentiality.
- (c) The anonymous person making the reports shall remain anonymous as long as it is permitted by law or the person has indicated that he no longer wishes to remain anonymous.
- (d) Upon completion of investigation, appropriate course of action will be recommended to the Audit Committee for their deliberation and any decision taken by the Audit Committee will be implemented immediately.
- (e) Where possible, steps will be taken to prevent similar situation from arising again.
- (f) If for any reason, the person making the report is not satisfied with the way his/her report is handled or dealt with, he/she can escalate the report to ANY OF THE THREE (3) MEMBERS named on page 12 of this Charter.
- (g) Chairman of the Audit Committee will deliberate the report with his Committee members and decide on the appropriate course of action.

Application of the Charter

The Board Charter sets out the principles and guidelines that are to be applied in practice by the Board and its Board Committee and lay down in narrative form the role, responsibilities and functions of the proponents of good corporate governance in the Company.

The Board Charter will periodically be reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is made available for reference in the Company's official website at www.bintai.com.my.

TERMS OF REFERENCE OF AUDIT COMMITTEE

Objectives

The principal objectives of the Audit Committee are to provide an independent overview on the way the Group conducts its affairs and to ensure conformity with good corporate governance in terms of good internal controls, reliable financial information and giving additional emphasis to the audit functions performed by the internal and external auditors. The Audit Committee is required to specifically review the quarterly results and annual financial statements prior to approval by the Board, focusing particularly on:

- (i) Changes in or implementation of major accounting policy changes;
- (ii) Significant and unusual events; and
- (iii) Compliance with accounting standards and other legal requirements.

The Board is assisted by the Audit Committee in fulfilling its fiduciary responsibilities relating to financial accounting and reporting practices and enhances the independence of the internal and external audit functions.

The Audit Committee seeks to create a climate of discipline and control which will reduce the opportunity of any fraud. It also reviews high level of operational procedures and controls to ensure transparency, integrity and accountability in the conduct of the Group's activities so as to safeguard the rights and interests of shareholders of the Company.

Criteria for membership

- (a) The Audit Committee shall be appointed by the Board of Directors and consist of not less than three (3) members. All the Audit Committee members shall be non-executive directors with a majority of them being independent directors. No alternate director is to be appointed to the Committee.
- (b) Chairman of the Board shall not be a member of the Audit Committee.
- (c) The members of the Audit Committee shall elect a Chairman from amongst their numbers, whom shall be an independent director.
- (d) At least one member of the Audit Committee must meet the criteria of an Accountant as prescribed in Paragraph 15.09(1c) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- (e) The members shall collectively have knowledge of the industries in which the Group operates and the ability to read and understand financial statements, cash flow and key performance indicators.
- (f) Members shall also be able to understand key business risks as well as financial risks and related controls.

Meetings

The Audit Committee shall meet at least four (4) times a year. A quorum shall consist of two (2) members who are independent directors. Other Board members, management team, the Group Accountant and the internal/external auditors are invited to attend the meetings, as and when required, at the Audit Committee's discretion.

Members of the Audit Committee will meet up with the external auditors, without the attendance of other executive board members and employees of the Company, at least twice during the financial year and whenever deemed necessary. The Chairman of the Audit Committee shall report the outcome of each Audit Committee Meeting (including recommendations) to the Board for approval and/or endorsement. The secretary of the Audit Committee shall be the Company Secretary.

Authority

The Audit Committee is authorised by the Board:

- (a) to review any activity of the Group within its Terms of Reference;
- (b) to have access to the resources necessary to perform its duties;
- (c) to have full and unrestricted access to any employee and information pertaining to the Group.
- (d) to have direct communication channels with the internal and external auditors; and
- (e) to obtain independent legal or other professional advice it considers necessary.

Duties and Responsibilities

(a) Matters relating to External Audit:

- (i) to discuss with external auditors, the nature, scope and timeline of the audit covered in the Audit Planning Memorandum.
- (ii) to discuss any material issue and observation arising from the interim and final audits and any ad-hoc issue that the external auditors may have highlighted.
- (iii) to consider the appointment of external auditors as well as the appropriateness of their audit fees as recommended by management.
- (iv) to review the level of assistance and cooperation given by employees of the Group to the external auditors.
- (v) to assess the tenure, independence and suitability of external auditors in carrying out their duties before their reappointment is being approved at the annual general meeting of the Company.
- (vi) to assess the independence of external auditors in respect of the provision of non-audit services to the Group, if any.
- (vii) to consider any letter of resignation of external auditors and any question of resignation and dismissal.
- (viii) to review matter related to auditors' report, management letters and management response thereof.

(b) Matters relating to internal audit:

- (i) to review the adequacy of the scope, functions, resources and competency of the internal audit function.
- (ii) to review the system of internal controls and its effectiveness, particularly those related to areas of significant risks.
- (iii) to review and approve the internal audit plan.
- (iv) to ensure coordination of external and internal audit.
- (v) to review significant findings of internal audit review and corresponding management response to ensure that appropriate actions are taken on the recommendations of the internal audit function.
- (vi) to review the assessment of the performance of member of the internal audit function.

(c) Matters relating to financial statements:

- (i) to review with management and/or external auditors the quarterly consolidated unaudited financial statements and the consolidated annual audited financial statements of the Company before submission to the Board, focusing particularly on:-
 - changes in or implementation of new accounting policies and practices;
 - major judgmental areas;
 - significant adjustments;
 - going concern assumption;

- significant and unusual events;
- compliance with applicable approved accounting standards; and
- compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other legal requirements.

(d) To review system of internal control, risk management and governance responsibilities:

- (i) to review the internal audit planning memorandum to ensure that all areas of concern are covered including all major projects in hand and all functional department within the Group.
- (ii) to review reports of respective risk management teams in relation to the adequacy and integrity of the Group's internal control system in identifying and mitigating risks.
- (iii) to review and recommend the risk management policy, procedures and risk management framework to the Board.
- (iv) provide guidance on the overall risk strategy for implementation and ensure that the principles and requirements of managing risk are consistently adopted throughout the Group.
- (v) reviewing the Group's governance framework as recommended and guided by the Malaysian Code of Corporate Governance and other corporate governance best practices.
- (vi) reviewing the Group's policies to support implementation of the Group's governance framework in compliance with legal and regulatory requirements.
- (vii) to review related party transactions and conflicts of interest situations that may arise within the Group or the Company and any other major transactions outside the normal course of business of the Group and the Company.
- (viii) reviewing such other matters as the Board may from time to time determine.

TERMS OF REFERENCE OF NOMINATION COMMITTEE

Authority and General Scope

1. The Board has constituted the Nomination Committee with the authorities necessary to perform the duties as outlined in these terms of reference.
2. The Nomination Committee is authorised to assess and process new nominees for the Board and further empowered to assess the existing directors on an on-going basis. The actual decision as to who shall be appointed shall be the responsibility of the full Board after considering the recommendations of the Nomination Committee.
3. The Nomination Committee will have access to the professional advice both internally and externally at the Company's expense in order for it to perform its duties.
4. The Nomination Committee is governed by the terms of reference which may be amended and varied from time to time, subject to the approval of the Board of Directors.

Membership

1. The Nomination Committee shall consist of not less than 3 Directors appointed by the Board of Directors, all of whom should be exclusively Non-Executive Directors, a majority of whom independent. **Chairman of the Board shall not be a member of the Nomination Committee.**
2. The Chairman of the Nomination Committee shall be appointed by the Board and he should be the senior independent director as identified by the Board. In the absence of the Committee Chairman, the remaining members present shall elect one of their members, who shall be an Independent Non-Executive Director to chair the meeting.
3. If the number of members, for whatever reasons, falls below three(3), the Board of Directors, shall, within three(3) months of the event, appoints such number of new members as may be required to make up the minimum number of three(3) members.
4. A member who wishes to retire or resign from the Nomination Committee, while he is still a member of the Board, shall notify the Board in writing by giving at least three(3) months' notice, unless waived or shortened by the Board.
5. The office of a member shall become vacant upon the member's resignation/retirement/removal or disqualification as a Director of the Company, or as determined by the Board.
6. The Nomination Committee shall have no executive powers.

Duties and Responsibilities

1. Recommend to the Board, candidates for directorship and Board committee membership take into consideration the candidates' skills, knowledge, expertise, experience, professionalism, integrity and women candidates shall be sought as part of its recruitment exercise. In the case of candidates for the position of independent non-executive directors, the Nomination Committee should also evaluate the candidates' abilities to discharge such responsibilities/functions as expected from independent non-executive directors.
2. The Nomination Committee shall also consider candidates for directorships proposed by the Managing Director and within the bounds of practicality, by any other senior management or any director or shareholder.

3. To determine the core competencies and skills required of Directors to best serve the business and operations of the Group as a whole and the optimum size of the Board to reflect the desired skills and competencies.
4. Assess, review and recommend to the Board, candidates to fill the seats on Board Committees. In assessing suitability of candidates, the qualities to look for are competencies, commitment, contribution and performance.
5. The Nomination Committee shall ensure that time commitment is obtained from a Director on his appointment and the expectations are met.
6. To evaluate and recommend the appointment of senior executive positions, including that of the Chief Executive Officer and their duties and the continuation of their services (if any).
7. Regularly review the Board structure, size and composition and make recommendations to the Board with regards to any adjustment that are deemed necessary.
8. To ensure that the positions of the Chairman and Chief Executive Officer are held by different individuals and the Chairman shall be a non-executive member of the Board. The Nomination Committee shall ensure that the composition of the Board shall consist of at least a majority of independent directors should the Chairman be an executive member of the Board.
9. Review the size and core competencies of Non-Executive Directors, Board balance and determine if additional Directors are required and also to ensure that at least one-third (1/3) of the Board is independent.
10. Assist the Board to do an annual assessment of independence of its independent directors and also ensure that the tenure of the Independent Directors do not exceed a cumulative term of nine (9) years. The Board is to recommend the director for shareholders' approval in the event it retains as an Independent Director, the director who had served in that capacity for more than nine (9) years.
11. Assist the Board to implement a procedure to be carried out by the Nomination Committee for annual assessment on the effectiveness of the Board as a whole, the Board Committee and the contribution of each individual Director, including independent non-executive directors and Managing Director. Conduct an annual review on the terms of office and performance of an audit committee and each of its members to determine whether such audit committee and members have carried out their duties in accordance with their terms of reference. All assessments and evaluation carried out by the Nomination Committee in the discharge of all its functions should be properly documented.
12. Conduct an annual review on the Board members, Managing Director and Chief Financial Officer on the required mix of skills, character, experience, integrity, competence and time to effectively discharge their roles.
13. Establish a clear succession plan and periodically reporting to the Board on succession planning for the Board Chairman and Chief Executive Officer. The Nomination Committee should work with the Board to evaluate potential successors.
14. Make recommendations to the Board on who will be retiring by rotation under the Company's Constitution to be put forward for reelection.
15. Keep adhering to the principles of governance and code of best practices.

16. Reviewing leadership needs of the organisation in ensuring continued ability to compete effectively in the organisation's market place.
17. To facilitate board induction and training for newly appointed Directors.
18. Reviewing training programs for the Board.
19. Propose to the Board the responsibilities of non-executive Directors, including membership and Chairperson of Board Committees.
20. Reviewing its own performance, at least once a year, and recommend any necessary changes to its terms of reference.

Meetings

1. The Company Secretary shall be the Secretary of the Nomination Committee.
2. Meetings of the Nomination Committee should be held at least once a year and as and when the Nomination Committee deems necessary.
3. Meetings may be called by the Nomination Committee Chairman or any member of the Nomination Committee and any Directors or management may be invited to attend.
4. Quorum of Nomination Committee meeting is two (2) members and each member shall be entitled to one (1) vote each.
5. The Company Secretary shall act as Secretary of the Nomination Committee and shall minute the proceedings and resolutions of all meetings of the Nomination Committee.
6. Minutes of all Nomination Committee Meetings shall be confirmed by the Chairman of the aforesaid committee and circulated to the members, and shall be conclusive evidence without any further proof of the facts stated therein.

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

Authority

- (a) The Remuneration Committee is given the authority to obtain internal/external independent professional advisors as it considers necessary and reasonable to carry out its duties, at the expense of the Company;
- (b) The Board will ensure that the Remuneration Committee has sufficient resources to undertake its duties, including access to the services of the Company Secretary on all Remuneration Committee matters, seek any information it requires from employees, company officers and external parties.
- (c) The Board as a whole determines the remuneration of the Executive and Non-Executive Directors as recommended by the Remuneration Committee. Individual directors abstain from discussion on their own remuneration packages.
- (d) The terms of the Remuneration Committee of Bintai Kinden Corporation Berhad may be amended from time to time as deem fit, subject to the approval of the Board of Directors.

Membership

- (a) Remuneration Committee shall comprise not less than three (3) members, **only consist of non-executive directors and a majority of them must be independent directors.**
- (b) The Chairman shall be appointed by the Board and in the absence of the Chairman, the members shall elect amongst their members to be Chairman of the meeting. **Chairman of the Board shall not be a member of the Remuneration Committee.**
- (c) If the number of members, for whatever reasons, falls below three (3), the Board of Directors shall, within three (3) months of the event, appoints such number of new members as may be required to make up the minimum number of three (3) members.
- (d) The office of a member shall become vacant upon the member's resignation/retirement/removal or disqualification as a Director of the Company.

Duties and Responsibilities

- (a) Develop and agree on the framework of remuneration policy for Executive, Non-Executive and senior management of the Company with the aim to attract, retain and motivate high calibre individuals required by the Board on long term basis and so structured as to align their interests with those of the Company and its shareholders.
- (b) Review and make recommendations to the Board of Directors the remuneration packages and other terms of employment, taking into account the market rates so as to link rewards to the Group and individual performance, drawing from external advice as necessary.
- (c) To review and recommend to the Board the remuneration packages for Non-Executive Directors based on their experience and degree of responsibilities.
- (d) To review the indemnity and liability insurance policies for Directors and Officers of the Company.
- (e) To carry out its duties in the manner that it deemed expedient, subject always to the regulations or restrictions imposed from time to time with the directions of the Board of Directors.

- (f) Review the on-going appropriateness and relevance of the remuneration policy from time to time.
- (g) To consider and examine such other matters as the Remuneration Committee considers appropriate.

Meetings

- (a) Meetings shall be held at least once a year or as and when deem necessary.
- (b) The Company Secretary shall be the secretary of the Remuneration Committee.
- (c) Any director/management may be invited to attend the meetings called by the Remuneration Committee members.
- (d) Quorum of meeting shall be two (2) members, whom shall be at least one independent director.
- (e) Each member present shall have one (1) vote.
- (f) In the absence of the Chairman, a member shall be elected to chair the meeting.
- (g) The secretary shall minute the proceedings and resolutions of all meetings of the Remuneration Committee.
- (h) Minutes of all Remuneration Committee Meetings shall be confirmed by the Chairman of the aforesaid committee and circulated to the members, and shall be conclusive evidence without any further proof of the facts stated therein.

TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE

Risk Management Committee (“RMC”) Charter

1 Purpose and Authority

The Risk Management Committee (“RMC”) is established by and among the directors to properly align with management as it embarks an Enterprise Risk Management (ERM) program. The primary responsibility of the RMC is to oversee and approve the enterprise-wide risk management practices to assist the board in:

- Leading the Group’s strategic direction in the management of material business risks;
- Overseeing that the management team has identified and assessed all the risks that BKCB faces and has established a risk management infrastructure capable of addressing those risks;
- Overseeing, in conjunction with other board-level committees or the full board, if applicable, risks, such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, and other risks;
- Reviewing the effectiveness of that enterprise risk management framework in value creation, identifying and managing risks, and controlling internal processes.

The RMC have the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from outside legal, accounting, or other advisors, as necessary, to perform its duties and responsibilities.

In carrying out its duties and responsibilities, the RMC shall also have the authority to meet with and seek any information it requires from employees, officers, directors, or external parties. In addition, the RMC meets with other board committees to avoid overlap as well as potential gaps in overseeing the companies’ risks.

The RMC will primarily fulfil its responsibilities by carrying out the activities enumerated in Section 3 of this charter.

Goals

To encourage a “risk-based decision making” culture based on the BKCB principles that fosters continuous improvement and the minimization of the impact of internal and external risk within the Group.

To ensure sound and effective policies are established and adopted for the oversight and management of “material business risks” (including but not limited to operational, financial, clinical, sustainability, compliance, strategic, ethical, reputational, service quality, human resource, industry, legislative or regulatory and market-related risks)

2 Risk Management Committee (“RMC”)

2.1 Composition

The RMC will comprise at least three members. The Board will appoint one of these members as the Chairman of the RMC. The RMC may also consist of a Chief Risk Officer (“**CRO**”). Other members of the senior management team may attend meetings of the RMC by invitation.

As part of its responsibility to foster open communication, the RMC will meet periodically with management, heads of business units, the CRO, the director of the internal audit function, and the independent auditor in separate executive sessions as and when deemed necessary.

2.1.1 Removal or resignation

If a member of the RMC retires, is removed, or resigns from their position within the Company, that member ceases to be a member of the RMC. The Board may appoint a successor.

2.1.2 Committee may invite

The RMC may invite any BKCB Board Members or any other individual to attend a meeting of the Committee, as they consider appropriate.

2.1.3 Secretary

Company Secretary or delegate – ex officio.

2.2 Meetings

2.2.1 Frequency

The RMC will meet at least quarterly. Any RMC member may call a Committee meeting at any time, as they consider appropriate.

The RMC Chairman will approve the agenda for the Committee's meetings, and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as practicable.

2.2.2 Calling meetings & notice

A notice of each meeting confirming the date, time, venue and agenda must be forwarded to each member of the RMC three working days before the date of the meeting.

2.2.3 Advice

The RMC may have access to professional advice from employees within the BKCB Group and from appropriate external advisers. The RMC may meet with these external advisers without management being present.

2.2.4 Report to board

The RMC Chairman, or any members, will report to the Board following each meeting. The RMC will report to the Board regularly on the matters set out in Section 3 of this Charter.

The RMC will prepare for approval by the Board any report on the matters set out in Section 3 that may be:

- required by any listing rule, legislation, regulatory body or other regulatory requirement; or
- “material business risks” (including but not limited to operational, financial, clinical, sustainability, compliance, strategic, ethical, reputational, service quality, human resource, industry, legislative or regulatory and market-related risks).

The RMC will consider the appropriate reporting lines for the company's CRO and the company's department-level risk committee whether directly or indirectly, to the Board.

2.2.5 Minutes

Minutes of proceedings and resolutions of Committee meetings will be kept by the secretary. Minutes will be distributed to all RMC members and the Chairman of the RMC, after the RMC Chairman has given the preliminary approval. Minutes, agenda and supporting papers will be made available to any director upon request to the secretary, providing no conflict of interest exists.

2.2.6 Quorum & voting

A quorum will comprise at least three members. In the absence of the RMC Chairman or appointed delegate, the members will elect one of their number as Chairman for that meeting. Each member will have one vote. In the case of an equal division of votes, the Chairman of the RMC shall have a second or casting vote.

2.2.7 Resolutions

Resolutions of the Committee may be made at a meeting of the Committee, or where it is impractical to convene a meeting, by circular resolution in accordance with the procedures set out in the Company's Constitution.

2.2.8 Conflicts of interest

Members of the Committee must not vote on any issue in respect of which they have an actual or perceived conflict of interest.

3 Duties & responsibilities

In order to fulfil its responsibilities, the RMC will:

3.1 Enterprise Responsibilities

- Help to set the tone and develop a culture of the enterprise vis-à-vis risk, promote open discussion regarding risk, integrate risk management into the BKCB's goals and compensation structure, and create a corporate culture such that people at all levels manage risks rather than reflexively avoid or heedlessly take them;
- Provide input to management regarding BKCB's risk appetite and tolerance and, ultimately, approve risk appetite and the statement of risk appetite and tolerance messaged throughout the Company and by line of business;
- Monitor BKCB's risk profile — its ongoing and potential exposure to risks of various types;
- Define risk review activities regarding the decisions (e.g., acquisitions), initiatives (e.g., new businesses), and transactions and exposures (e.g., by amount) and prioritize them prior to being sent to the Board's attention;
- Review and confirm that all responsibilities outlined in the charter have been carried out;

- Monitor all enterprise risks; in doing so, the RMC recognizes the responsibilities delegated to other committees by the board and understands that the other committees may emphasize specific risk monitoring through their respective activities;
- Conduct an annual performance assessment relative to the RMC's purpose, duties, and responsibilities; consider a mix of self- and peer- evaluation, supplemented by evaluations facilitated by external experts;
- Oversee the risk management program/interactions with management;
- Review and approve the enterprise risk management infrastructure and the critical risk management policies adopted by BKCB;
- Periodically review and evaluate BKCB's policies and practices with respect to risk assessment and risk management and annually present to the board a report summarizing the RMC's review of the company's methods for identifying, managing, and reporting risks and risk management deficiencies;
- Continually, as well as at specific intervals, monitor risks and risk management capabilities within BKCB, including communication about escalating risk and crisis preparedness and recovery plans;
- Continually obtain reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed;
- Discuss with management and the CRO on BKCB's major risk exposures and review the steps management has taken to monitor and control such exposures, including the company's risk assessment and risk management policies;
- Review and assess the effectiveness of the company's enterprise-wide risk assessment processes and recommend improvements, where appropriate; review and address, as appropriate, management's corrective actions for deficiencies that arise with respect to the effectiveness of such programs.

3.2 Chief Risk Officer ("CRO")

- Ensure that the company's CRO has sufficient stature, authority, and seniority, and resources to oversee risk within the organization and to ensure the CRO is independent from individual business units within the organization.

3.3 Reporting

- Review and approve management's definition of the risk-related reports that the RMC could receive regarding the full range of risks the organization faces, as well as their form and frequency;

- Respond to reports from management so that management understands the importance placed on such reports by the RMC and how the RMC views their content;
- Read and provide input to the Board and/or Audit Committee regarding risk disclosures in financial statements, proxy statements, and other public statements regarding risk;
- Keep risk on both the full board's and management's agenda on a regular basis.

4 Charter Review

The RMC will conduct a review of this Charter at least every two (2) years to ensure that it continues to reflect the current processes and guidance utilized when assessing the appropriate risk management of the directors and the senior executives.

The Board must approve any amendments to the Charter that stem from the review.

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