



PINTARAS JAYA BERHAD

BOARD CHARTER

INTRODUCTION

1. The purpose of this Board Charter (“Charter”) is to set out the role, composition and responsibilities of the Board of Directors (Board) of Pintaras Jaya Berhad (“PJB” or “Company”) to ensure appropriate corporate governance within PJB and its subsidiaries (“Group”) aimed at creating and protecting shareholder value.

ROLE OF THE BOARD

2. The role of the Board is to provide strategic guidance in the business and affairs of PJB and the Group, and effective oversight of management.
3. The Board is accountable to its shareholders and stakeholders for the performance of the Group’s businesses, and will therefore seek to uphold a set of principles and practices of excellent governance within the Group.
4. This requires the Board to work closely as a team, and undertake to serve the interests of shareholders, employees, and the broader community honestly, fairly, diligently and in accordance with applicable laws.

KEY RESPONSIBILITIES OF THE BOARD

5. The Board has reserved the following matters for its decision and consider them as key responsibilities:
 - a) oversight of PJB’s operations, including its control and accountability systems;
 - b) appointment and removal of the Managing Director;
 - c) appointment and removal of the Company Secretary;
 - d) appointment and removal of Directors;
 - e) Board and Senior Management development and succession planning;
 - f) developing, reviewing and monitoring the strategic direction and financial plans for the Group;
 - g) reviewing and approving major capital expenditure, capital management, acquisitions and divestitures;



- h) monitoring compliance with all relevant legal, tax and regulatory obligations;
- i) identifying and reviewing risks that may face the Group and ensure the effectiveness of its risk management system and internal control framework;
- j) approving all financial reports to be published and related stock exchange announcements;
- k) monitoring other material reporting and external communications by the Company;
- l) determining dividend policy and the amount, nature and timing of dividends to be paid;
- m) appointment, reappointment or replacement of external auditors;
- n) considering and reviewing the social, ethical and environmental impact of the Group's activities and determining, monitoring and reviewing standards and policies to guide the Group in this regard;
- o) disclosure to and communicating with the Company's shareholders and the community, at the appropriate times, the results of and developments in the business operations of the Group; and
- p) dealing with matters referred to it by any Board Committee.

ROLE AND DELEGATION TO MANAGEMENT

- 6. Management of the Group's day-to-day operations is undertaken by the Managing Director and the Executive Directors, subject to specific delegations of authority approved by the Board.
- 7. The Managing Director is responsible for the development of strategic objectives for the business and the achievement of the planned results for the Group.
- 8. Executive Directors are responsible for implementing the Group's strategic objectives in a time-effective and cost-efficient manner, by actively undertaking a leadership role in all daily functions of the Group and maintaining an organisational culture that attracts, retains, and motivates staff of high quality.
- 9. On behalf of the Group, Executive Directors are responsible for reviewing and approving PJB's annual operating budgets and business plans and evaluating the Group's performance in relation to them.
- 10. Any matters or transactions outside the delegations of authority must be referred to the Board for approval.



BOARD COMPOSITION

11. The size of the Board will be determined in accordance with PJB's constitution.
12. The Board will comprise individuals who have a broad range of financial and other skills, experience and knowledge necessary to guide the business of the Group.
13. The majority of the Board are not independent, as it is believed that the objectives of the company are currently met with a majority executive participation. However, at any one time, a minimum of 2 directors, or one-third (1/3) of the Board members are Independent non-Executive Directors.
14. The Board will determine and regularly review the composition of the Board having regard to the optimum number and skill mix of Directors.
15. Directors are encouraged to participate in appropriate training from time to time in order to keep abreast with current developments of the industry, as well as new statutory and regulatory requirements.

CHAIRMAN

16. The Chairman is responsible for:
 - a) leading and representing the Board to shareholders;
 - b) managing the effectiveness of the Board in discharging its supervisory role while ensuring good conduct and best practices;
 - c) facilitating Board meetings and briefing all Directors of any arising issues;
 - d) protecting stakeholders' interests and providing for their information needs; and
 - e) ensuring legal compliance and good corporate governance.

MANAGING DIRECTOR

17. The Managing Director undertakes day-to-day management of the Group with all powers, discretions and delegations authorised, from time to time, by the Board.
18. The Managing Director is responsible for:
 - a) developing corporate strategies and preparing business plans for the Group while ensuring its effective implementation;
 - b) managing a team of directors responsible for all functions contributing to the success of the Group;



- c) ensuring that the Group has effective risk management systems and policies in place;
- d) the smooth and efficient operation of the Group;
- e) strengthening the Company brand and corporate identity;
- f) assessing business opportunities which could potentially benefit the Group; and
- g) overseeing shareholder communications.

CODE OF CONDUCT

- 19. Each Director will at all times act honestly, fairly, diligently in discharging his/her duties and responsibilities.
- 20. Each Director will commit the time and effort necessary to discharge effectively his/her role as a Director, and must not improperly use his/her position or misuse information of PJB for personal interest.
- 21. All Directors commit to the collective, group decision-making processes of the Board, and are expected to apply their range of relevant skills, knowledge and experience for all matters discussed at board meetings. Executive Directors will ensure that they offer to the Board debate and discussion, their unique knowledge, experience, and perspective on the Group's businesses.
- 22. Each Director will not disclose or allow the disclosure of any confidential information obtained in the course of exercising their duties, which is considered to be the property of the company, unless authorised by the Company or required by law.

BOARD COMMITTEES

- 23. The Board has established five Committees to assist in fulfilling its duties and responsibilities:
 - a) Risk Management Committee;
 - b) Audit Committee;
 - c) Remuneration Committee;
 - d) Nomination Committee; and
 - e) Employee Share Option Scheme Committee.
- 24. The Board will determine the charters of Board Committees that set out the roles and responsibilities of each Committee.
- 25. Committees will assist and report to the Board on decisions and actions taken within the scope of the Committee's delegated authority, and making recommendations as seen fit.



26. The Board will appoint members and determine the composition of Board Committees, with due regard to workload, skills and experience.

BOARD MEETINGS

27. The Chairman is responsible for the conduct of all Board meetings, and will ensure that the agendas are comprehensive, that all agenda items are appropriate and that resolutions are aligned with the strategic direction of the Group.

BOARD PERFORMANCE

28. The Board will undertake on-going performance evaluations of the Board as a whole, its Committees, individual Directors, and relevant governance processes.

INDEPENDENT ADVICE

29. The Board, an individual Director or a Committee may seek independent professional advice in relation to any Board matter, at the Company's expense. Written approval must be obtained from the Managing Director before external advice is sought.

ETHICAL STANDARDS

30. The Board recognises and encourages policies that require Directors and employees to observe high standards of personal integrity and display honesty and diligence in their dealings.

REVIEW OF CHARTER

31. The Board will regularly review this Charter to ensure it remains aligned with the Board's role and responsibilities, and make any changes deemed necessary.

ACCESS TO CHARTER

32. This Charter will be accessible on the Company's website www.pintaras.com.my.