

# **ASTRO MALAYSIA HOLDINGS BERHAD**

(Incorporated in Malaysia - Company No. 201101004392 (932533-V))



## **BOARD CHARTER**

As at 19 June 2023

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**ASTRO MALAYSIA HOLDINGS BERHAD**  
(Incorporated in Malaysia – Company No. 201101004392 (932533-V))

**BOARD CHARTER**

**1. INTRODUCTION**

- 1.1 Astro Malaysia Holdings Berhad (“Company”) was incorporated as a private limited company on 14 February 2011 under the Companies Act of Malaysia 1965 and converted to a public company limited by shares on 18 July 2012. The Company was listed on 19 October 2012 on the Main Board of Bursa Malaysia Securities Berhad (“Bursa Securities”).
- 1.2 The principal business of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the “Group”) is primarily engaged in the provision of television services, radio services, film library licensing, content creation, aggregation and distribution; talent management, multimedia interactive services, digital media and home shopping.

**1.3 Key Values, Principles and Ethos**

The Board of Directors of the Company (“Board”) recognises that it is accountable to the shareholders of the Company to deliver long-term growth and build a sustainable business.

The Company aspires to the highest standards of ethical conduct: doing what it says; reporting results with accuracy and transparency; and maintaining full compliance with the laws, rules and regulations that govern the Company’s business.

Good governance is one of the Company’s key doctrines. The Company is committed not only to meeting legal and regulatory governance requirements, but to having best-practice governance. The Company is however aware that good values and principles are not an end in itself, but that it facilitates the Company’s capacity to define and achieve its purposes.

Key values and principles establish how the shareholders, the Board and management interact in determining the direction and performance of the Company. Good governance holds management accountable to the Board and the Board accountable to the owners and other stakeholders. The Board’s fundamental approach in this regard is to ensure that the right executive leadership, strategy and internal controls for risk management are well in place. Additionally, the Board is committed to achieving the highest standards of business integrity, ethics and professionalism across all of the Company’s activities.

The Board regards the guiding principles to be:

- (i) ***Fairness:*** Minority shareholders, investors and other stakeholders are treated fairly and their interests are taken into account;
- (ii) ***Transparency:*** Disclosure of information - financial, organisational, governance and related transactions - is adequate and timely for stakeholders to assess the performance of the organisation;
- (iii) ***Accountability:*** Senior management is accountable to the Board for achieving plans and implementing approved policies that ensure the safeguarding of assets and the financial viability of the Company. In turn, the Board is accountable to the shareholders and other stakeholders;
- (iv) ***Responsibility:*** Clear lines of responsibility need to exist in terms of delegations of authority and which actions or decisions require board approval or shareholder approval. Responsibility must be attributed in order to have accountability for results.

## **2. PURPOSE OF THE BOARD**

- 2.1 The Board is responsible for overseeing the Company's management and business affairs and makes all major policy decisions of the Company. The management and control of the business and affairs of the Company are vested in the Directors by virtue of the powers and authorities granted under the Constitution of the Company, and are otherwise not directed by the Companies Act 2016 ("Act") or Main Market Listing Requirements ("MMLR") of Bursa Securities to be exercised or done subject to shareholders' approval.
- 2.2 The Board shall provide central leadership to the Company, establish its objectives and develop the strategies that direct the ongoing activities of the Company to achieve these objectives. Directors shall determine the future of the Company and shall protect its assets and reputation. They will consider how their decisions relate to stakeholders and the regulatory framework. Directors will apply skill and care in exercising their duties to the Company and are subject to fiduciary duties. Directors shall be accountable to the shareholders of the Company for the Company's performance.
- 2.3 The Board may establish any committees to be made up of any persons (whether or not a Director) and may delegate to such committees specific powers, authorities and discretion which are vested in the Board.
- 2.4 This Charter, together with the Company's Constitution and the Charters of the Board Committees, provide the authority and practices for governance of the Company and where relevant, the Group.

## **3. BOARD PRINCIPAL RESPONSIBILITIES**

- 3.1 In order to ensure effective discharge of the Board's functions, the Board has assumed the following 8 principal responsibilities: -
- (a) reviewing, challenging and if appropriate, adopting the overall Group strategic plan, key strategic initiatives and annual consolidated budget for the Group; and monitoring the implementation thereof;
  - (b) promoting sustainability and long-term value creation by embedding economic, environmental, social and governance factors in the Group's strategies, and addressing sustainability including climate governance and climate-related risks and opportunities;
  - (c) overseeing the conduct of the Group's business and financial performance to evaluate whether the business is properly managed;
  - (d) overseeing the Group's Anti-Corruption Framework by implementing adequate measures to prevent corruption;
  - (e) identifying principal risks, determining risk appetite and ensuring there is an appropriate risk management framework to identify and assess significant financial and non-financial risks, and the implementation of appropriate controls and systems to monitor and manage these risks;
  - (f) appointing members of the Board, Board Committees, Group Chief Executive Officer ("GCEO") of the Company and Management including evaluating performance and managing the succession planning, training, fixing the remuneration and where appropriate, replacing them;
  - (g) overseeing the development and implementation of a shareholders' communication policy for the Company to ensure effective communication with its shareholders and other stakeholders; and
  - (h) reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for ensuring compliance with applicable laws, regulations, rules, directives and guidelines.

#### **4. SIZE AND COMPOSITION OF THE BOARD**

- 4.1 Unless otherwise determined by the Company in general meeting, the Company shall have at least two (2) and not more than fifteen (15) Directors. Each Director must be a natural person who is at least eighteen (18) years of age. There is no shareholding qualification for Directors.
- 4.2 At least two (2) Directors or one-third (1/3) of the total number of Directors on the Board, whichever is the higher, must be Independent Directors. An Independent Director is defined under Paragraph 1.01 of the MMLR of Bursa Securities.
- 4.3 In the event of any vacancy in the Board, resulting in non-compliance with subparagraph 4.2 as the case may be, the Board must ensure that the vacancy is filled within 3 months.
- 4.4 The tenure of an Independent Director should not exceed a cumulative term of nine (9) years.
- 4.5 An Independent Director who has completed a cumulative term of nine (9) years may continue to serve on the Board subject to him or her being re-designated as a Non-Independent Director.
- 4.6 No person shall be appointed, re-appointed, elected or re-elected as a Director on the Board or continue to serve as a Director if he or she is or becomes an active politician who is a member of Parliament, state assemblyman or holds a position at the Supreme Council or division level in a political party.

#### **5. BOARD APPOINTMENT**

- 5.1 The Board will, in promoting board diversity, take into consideration the candidate's background, skills, experience and gender required to maintain optimal board balance and the Board will make the necessary appointment based on merit and contribution to the overall working of the Board, taking into consideration the future strategic direction of the Group.
- 5.2 Appointments to the Board are guided by the factors laid down in the Board Selection Criteria as set out in subparagraph 5.7 to assess the suitability of candidates, thus ensuring that each of the Directors has the experience, competence, character, integrity and time to effectively discharge his/her role as a Director of the Company.
- 5.3 A review shall be conducted at least annually in respect of the size and composition of the Board, taking into consideration such skills, knowledge, experience and capabilities desired to meet both the current and future challenges of the Group.
- 5.4 The Board places high emphasis on inclusivity and acknowledges that a mix of individuals from different backgrounds (social and professional), skills, experience and competencies will enable greater inclusivity as well as diversity of thought and behaviours.
- 5.5 The Board aspires to achieve at least 30% women representation to the extent that all appointments to the Board shall be made on merit.
- 5.6 The Board has delegated the responsibility for recommending candidates to the Nomination, Remuneration and Corporate Governance Committee ("NRCGC"). Upon identifying an appropriate candidate, the NRCGC shall make its recommendations to the Board for approval. The appointment of a Director is ultimately decided by the Board.
- 5.7 In evaluating the suitability of candidates, the NRCGC is guided by the Directors' Fit and Proper Policy and board diversity requirements as well as board skills matrix, for appointment and/or re-appointment as a Director of the Company to ensure that the candidate is capable of adding value to the Board and is fit and proper to act as a Director of the Company.
- 5.8 In identifying suitable persons for appointment to the Board, the NRCGC shall, where appropriate and necessary, rely on sources from the existing Directors, major shareholders, GCEO, independent search firms and other independent sources.

## 6. **DIRECTORS' FIT AND PROPER POLICY**

- 6.1 In reviewing and assessing candidates for initial appointment and/or re-appointment as Directors or Chief Executive Officers of the Group, the Board and NRCGC shall be guided by the Directors' Fit and Proper Policy which is based on the overarching principles of (i) Character and Integrity; (ii) Experience and Competence; and (iii) Time and Commitment.
- 6.2 The key considerations underpinning the fit and proper criteria that shall be weighed by the NRCGC include but are not limited to the following, having regard to the Group's specific circumstances and requirements and other factors relevant to the candidate:

(a) Character and Integrity

(i)	Probity	<ul style="list-style-type: none"> <li>Complies with legal obligations, regulatory requirements and professional standards.</li> <li>Has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.</li> <li>Has not been personally or as a director of a corporation or any business in which he has a controlling interest or exercises significant influence, been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal.</li> </ul>
(ii)	Personal Integrity, Honesty and Ethical	<ul style="list-style-type: none"> <li>Has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct.</li> <li>Has not been dismissed, asked to resign or had any service contract terminated in the capacity of management or director due to concerns on his honesty and personal integrity.</li> <li>Has not used his/her position or authority to secure, obtain or enjoy benefits in a manner that contravenes the principles of good governance.</li> <li>Has no concurrent responsibilities, interest or relationship which could contribute to a conflict of interest situation or otherwise impair the ability to act in the best interest of the Group and discharge duties and responsibilities as a Director of the Company.</li> <li>Demonstrates high ethical standards, strong moral values and professionalism and objectivity with ability to act fairly while considering the interest of all stakeholders.</li> </ul>
(iii)	Financial Integrity	<ul style="list-style-type: none"> <li>Manages personal debts or financial affairs satisfactorily.</li> <li>Demonstrates ability to fulfil personal financial obligations as and when they fall due.</li> <li>Has not been convicted of any offences involving money laundering, fraud, bribery, corruption and/or misappropriation of funds.</li> <li>Is not subjected to a judgment debt which is unsatisfied.</li> </ul>

(iv)	Reputation	<ul style="list-style-type: none"> <li>• Is of good repute in the financial and business community.</li> <li>• Has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.</li> <li>• Has not been the subject of criminal or civil enforcement action or other regulatory or administrative enforcement action or proceeding by any regulatory or supervisory authority, in managing or governing an entity for the past 10 years.</li> </ul>
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(b) Experience and Competence

(i)	Qualifications, training and skills	<ul style="list-style-type: none"> <li>• Possesses education and qualification that is relevant to the skill set that the director is earmarked to bring to bear onto the boardroom (i.e. a match to the Board Skills Matrix).</li> <li>• Has excellent understanding on the workings of a large corporation with diverse business interests.</li> <li>• Possesses general management skills as well as understanding of corporate governance and sustainability issues.</li> <li>• Possesses leadership capabilities and a high level of emotional intelligence.</li> <li>• Financial literacy, especially ability to read and understand financial statements.</li> <li>• Keeps knowledge current based on continuous professional development.</li> </ul>
(ii)	Relevant experience and expertise	<ul style="list-style-type: none"> <li>• Has management and leadership experience at the most senior level of a large organisation, local or international financial services group, professional body or held senior positions in governmental or regulatory body or non-profit organisation.</li> <li>• Possesses relevant experience and expertise with due consideration given to past length of service, nature and size of business, responsibilities held, number of subordinates as well as reporting lines and delegated authorities.</li> <li>• Has experience in regional and international markets.</li> </ul>
(iii)	Relevant past performance or track record	<ul style="list-style-type: none"> <li>• Have had or is currently in a career occupying a high-level position in a comparable organisation and was accountable for driving or leading the organisation's governance, business performance or operations.</li> <li>• Possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.</li> </ul>

(c) Time and Commitment

(i)	Ability to discharge role having regard to other commitments	<ul style="list-style-type: none"> <li>• Able to devote time as a board member, having factored in other outside obligations including concurrent board positions across listed issuers and non-listed entities (including not-for-profit organisations).</li> </ul>
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(ii)	Participation and contribution in the Board or track record	<ul style="list-style-type: none"> <li>• Demonstrates willingness to participate actively in board activities.</li> <li>• Demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom.</li> <li>• Manifests passion in the vocation of a director.</li> <li>• Exhibits ability to articulate views independently, objectively and constructively.</li> <li>• Exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.</li> </ul>
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## **7. DISQUALIFICATION OR VACATION OF OFFICE**

7.1 The office of a Director shall become vacant if the Director:

- (a) resigns his office by notice in writing to the Company;
- (b) retired in accordance with the Constitution of the Company and is not re-elected;
- (c) removed from his office as Director by ordinary resolution at a meeting of the Company in accordance with the Constitution of the Company and Section 206 of the Act;
- (d) becomes disqualified from being a Director under Sections 198 or 199 of the Act or Paragraph 15.05(1) of the MMLR of Bursa Securities;
- (e) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the Mental Health Act 2001;
- (f) dies; and
- (g) has been absent from more than fifty per centum (50%) of the total number of meetings of the Board of Directors held from the date of his election or appointment to the end of any financial year of the Company (whether or not an alternate director appointed by him attended), unless otherwise exempted by Bursa Securities on application by the Company.

7.2 If the office of a Director is vacated for any reason, he shall cease to be a member of any committee or sub-committee of the Board.

## **8. RE-ELECTION OF DIRECTORS**

8.1 An election of Directors shall take place each year at the annual general meeting of the Company, where one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election. All Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

8.2 The NRCGC is guided by the Directors' Fit and Proper Policy and board diversity requirements as well as board skills matrix in considering the re-election of a Director who is retiring in accordance with the Constitution of the Company.

## **9. MEETINGS AND ATTENDANCE**

9.1 The Board shall meet at least four (4) times each financial year and at any such time(s) as it deems necessary to fulfil its responsibilities.



- 9.2 Each Director will review, before attending meetings of the Board or committees, all materials provided by the Company relating to matters to be considered at the meetings.
- 9.3 Each Director shall devote sufficient time and effort to stay abreast and keep informed on all matters of importance to the Group by limiting directorships in other companies to a number in which the Director can best devote his time and effectiveness. Such other directorships shall, in any event, be not more than five (5) in public listed companies, inclusive of the Company.
- 9.4 All Directors are required to notify and discuss with the Chairman of the Board (and in the case of the Chairman of the Board, he/she shall notify and discuss with the Senior Independent Director) prior to accepting any new appointment in a public listed company and/or any company which is involved in competing businesses with the Group (including but not limited to technology, media, telecommunications and advertising). The Director concerned shall ensure that he/she commits sufficient time and effort for the Board and Board Committee meetings and other affairs of the Board in an effective way as well as seek guidance from the Chairman of the Board or the Senior Independent Director (as the case may be) if there is any potential conflict of interests.

## 10. **MATTERS RESERVED FOR THE BOARD**

- 10.1 The following are matters reserved for collective decision of the Board which may be varied from time to time as determined by the Board:-

*Note: Matters that refer to “the Company” only applies to Astro Malaysia Holdings Berhad. In all other cases, the matter refers to the Company and its subsidiaries. The Board Reserved Matters are subject to the relevant rules and regulations applicable to the entity which include the Act and the MMLR of Bursa Securities, and also subject to the entity’s Constitution.*

1.0	Strategy and management
1.1	Group Strategic Plan and any material changes thereto.
1.2	Consolidated Annual Budget/Plan and any material changes thereto.
1.3	Undertaking new business activities in non-traditional / non-core areas.
1.4	Mergers, joint ventures and acquisitions of assets (otherwise than matters falling within the Limits of Authority of Management and investments made in accordance with approved Treasury Policy) and its termination, divestment and arrangement that results in a dilution of interest in a subsidiary, joint venture or investee. Includes the Group’s share of equity participation, shareholders’ loans and guarantees.  <i>(Note: “asset” means all types of assets including securities and business undertakings as defined in the MMLR)</i>
1.5	Any major capital projects.
1.6	Decision to cease to operate all or any material part of the Group’s business.
2.0	Structure and capital
2.1	Changes relating to the Company’s share capital such as reduction of capital, issuance of new share capital and share buyback (including the use of treasury shares).
2.2	Changes in the Group’s corporate structure such as the formation/acquisition, disposal and dissolution of subsidiaries.
2.3	Changes relating to macro debt structure such as debt/equity ratio setting and overall debt exposure.
2.4	Establishment of long-term share incentive plans and major changes to existing plans.

3.0	Finance Matters
3.1	Interim financial results and audited financial statements of the Company prior to release to the public.
3.2	Significant change in accounting policies or practices unless such alteration is required by law.
3.3	Annual report, circular to shareholders, prospectus or such other similar documents to be made available to the public at large or shareholders.
3.4	Dividend policy and the declaration/distribution of dividend, profits, reserves or capital.
3.5	Treasury Policy (including foreign currency exposure and the use of financial derivatives).
3.6	Limits of Authority including any amendments thereto.
3.7	Opening and closing of bank accounts of the Company, and the appointment or change in authorised signatories (save for the resignation of authorised signatories) and signing limits for the operation of the Company's bank accounts.
3.8	Related Party Transactions ("RPTs") (with the exception of RPTs falling within the exceptions in the MMLR and waiver granted by Bursa Securities).
3.9	The giving of any guarantee or indemnity or the creation or issue of any debenture, mortgage, charge or other security or interest over any the Group's assets (otherwise than in the ordinary course of business and in any approved investments).
4.0	People
4.1	Appointment of Directors and members of Board Committees of the Company, and Directors' remuneration and benefits.
4.2	Appointment and termination of GCEO and GCFO of the Company and their remuneration.
4.3	Terms of Reference of the Board Committees of the Company and material changes thereto.
4.4	Organisation structure and succession management of the Executive Leadership Team.
4.5	Appointment and removal of Company Secretary and Head of Corporate Assurance.
4.6	Appointment and removal of external auditors and fixing of auditors' remuneration.
4.7	Pension and compensation schemes in favour of the Executive Leadership Team.
4.8	Annual salary increment and performance bonus.
4.9	Long-term share incentive programme, grant and vesting of shares and setting of the vesting criteria.
4.10	Appointment of independent advisers in respect of any corporate exercise undertaken by the Group and consultants for major strategic consultancy projects.
4.11	The overall limits of the Group Directors' and officers' liability insurance.

5.0	Others
5.1	Systems (including new or change to existing systems) which are fundamental to the operation of the business. Examples are the Conditional Access, Customer Relationship and Billing Platform, Set-Top-Box hardware, Uplink/Downlink System, Satellite/Transponder System, Overall Business Continuity and Redundancy Systems, Radio Broadcast Automation System.
5.2	Amendments to the Constitution of the Company.
5.3	Prosecution, commencement, defence or settlement of material litigation, or undertaking alternative dispute resolution mechanism.
5.4	Tax dispute settlement of a material nature.
5.5	Any proposed listing on any stock exchange or change of listing or plc's status.
5.6	Any decision likely to have a material impact on the Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
5.7	Matters falling outside the Limits of Authority of Management.
5.8	Any amendments to the Matters Reserved for the Board.

## 11. **DIRECTORS' ACCESS TO MANAGEMENT AND INDEPENDENT ADVISORS**

- 11.1 Directors shall have access to management and, as necessary and appropriate, to the Group's independent advisors, in order to keep themselves fully informed of the Group's affairs and to enable them to make sound business judgements.
- 11.2 In carrying out its duties and responsibilities, the Directors have:-
- full, free and unrestricted access to any information, records, property and personnel of the Group;
  - access to independent professional advice and expertise necessary for the performance of its duties at the Company's expense; and
  - access to the advice and services of the Company Secretary.

## 12. **DIRECTORS' REMUNERATION**

- 12.1 The remuneration for Non-Executive Directors ("NEDs") of the Company are based on the following key principles:-
- adequate to attract, motivate and retain world-class non-executive talent;
  - consistent with recognised best practice standards;
  - reflect the experience, time commitment, level of responsibilities and complexity shouldered, special assignments and risks; and
  - aligned with the Group's business strategy and long-term objectives.
- 12.2 The Board has established a formal and transparent process for approving NEDs' remuneration. In determining the remuneration to the NEDs for serving on the Board and on Board Committees, the NRCGC and Board will consider the following factors which are non-exhaustive:-
- Benchmarking against relevant peer groups of similar sized listed companies
  - Estimation of amount of time and commitment required to perform roles
  - Industry specific premiums
  - Organisational complexity
  - Organisational business strategy, long-term objectives and sustainability goals
  - Board effectiveness evaluation

- 12.3 NEDs are entitled to be reimbursed for expenses which are reasonably incurred by them in the discharge of their duties such as travel and accommodation, mobile and broadband expenses including devices and conference/seminar fees. Any payment of expenses that are reasonably incurred by a Director and permitted under the Company's Constitution requires the approval of the Chairman of the Board and in turn, the expenses reimbursable to the Chairman of the Board shall be subject to Audit and Risk Committee Chairman ("ARC")'s approval.
- 12.4 In accordance with Section 230 of the Act, the Board shall seek the shareholders' approval on an annual basis for Directors' fees and benefits.

### **13. DIRECTORS' ORIENTATION AND CONTINUING EDUCATION**

- 13.1 The Company will make available to each new Director an induction programme which comprises a combination of written materials, presentations and activities including interactive engagement/ meetings with existing directors and senior management and site visits to ensure that he/she understands:
- Corporate information – company history, product and services information, strategic and business plans, financial information, major shareholders, corporate communications, business and industry environment, industry players, risk profile and appetite;
  - Corporate governance framework – board/board committees' structure and charter, code of conduct and ethics, annual work plan, board processes, assurance providers, resources available, key stakeholders, policies and procedures; and
  - Management information – names and background of senior management, organisational and management structure.
- 13.2 The Company will organise or make available from time to time suitable training programmes to all Directors at the Company's expense to enhance and refresh the competencies of Board members.

### **14. DIVISION OF ROLES BETWEEN CHAIRMAN OF THE BOARD AND GROUP CHIEF EXECUTIVE OFFICER**

- 14.1 There must be a clear division of the roles and responsibilities of the Chairman of the Board and the GCEO to ensure that there is a balance of power and authority. The Chairman of the Board is responsible for ensuring the Board's effectiveness and conduct as described below whilst the GCEO has overall responsibility over the business units and day-to-day management of the Company, organisational effectiveness and implementation of Board policies, strategies and decisions. The position of Chairman and GCEO shall be held by different individuals, and the Chairman must be a non-executive member of the Board.
- 14.2 In respect of running the Board, the Chairman is responsible for the following:-
- (a) the working of the Board;
  - (b) the balance of membership, subject to Board and shareholders' approval;
  - (c) ensuring that all relevant issues are on the agenda; and
  - (d) ensuring that all Directors are enabled and encouraged to play their full part in the Board's activities. This includes ensuring that the Directors, especially the NEDs receive timely, relevant information tailored to their needs and they are properly briefed on issues arising at Board meetings.

14.3 The responsibilities of the GCEO amongst others, are as follows:-

- (a) to develop and implement corporate strategies for the Group;
- (b) to regularly review the heads of divisions and departments who are responsible for all functions contributing to the success of the Group;
- (c) to ensure the efficiency and effectiveness of the operations for the Group;
- (d) to assess business opportunities which are of potential benefit to the Group;
- (e) to oversee and chair the ESG Assurance Management Committee for the implementation and execution of the Group's environmental, social and governance strategies; and
- (f) to bring material and other relevant matters to the attention of the Board in an accurate and timely manner.

## **15. ROLES AND RESPONSIBILITIES OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS**

The responsibilities of the Independent NEDs ("INEDs") amongst others, are as follows:-

- (a) to provide independent and objective views, advice and judgment to ensure that the interests of the Group, shareholders and stakeholders are well taken into account;
- (b) to bring impartiality and scrutiny to Board deliberations and decision-making, and also serve to stimulate and challenge the management in an objective manner; and
- (c) to constructively challenge and contribute to the development of the business strategies and direction of the Group.

## **16. ROLES AND RESPONSIBILITIES OF THE SENIOR INDEPENDENT DIRECTOR**

16.1 The Board shall identify a Senior Independent NED ("SID") who serves as the point of contact between the Independent Directors and the Chairman of the Board on sensitive issues and acts as a designated contact to whom shareholders' concerns or queries may be raised.

16.2 The NRCGC shall make its recommendation to the Board for approval of the proposed nomination of SID for a term of three (3) years or such other term as may be determined by the Board.

16.3 The SID shall have specific responsibilities which include, to:-

- (a) serve as a designated contact for consultation and direct communication with shareholders on areas that cannot be resolved through normal channels of contact with the Chairman of the Board or GCEO;
- (b) serve as the principal conduit between the INEDs and the Chairman of the Board on sensitive issues;
- (c) receive report(s) made by employees or external parties for the purpose of whistleblowing in the form as prescribed under the Group's Whistleblowing Policy and Procedures;
- (d) ensure that all Independent Directors have the opportunity to provide input on the agenda, and advise the Chairman on the quality, quantity and timeliness of the information submitted by management that is necessary or appropriate for the INEDs to perform their duties effectively; and
- (e) consult with the Chairman of the Board regarding Board meeting schedules to ensure INEDs can perform their duties responsibly and with sufficient time for discussion of all agenda items.

**17. DIVISION OF ROLES BETWEEN THE BOARD AND THE BOARD COMMITTEES AND BETWEEN THE BOARD AND MANAGEMENT**

17.1 The Board may from time to time establish committees as is considered appropriate to assist in carrying out its duties and responsibilities. At present, the Board has delegated certain functions to the following committees to assist in the execution of its responsibilities:-

- (i) ARC;
  - (ii) NRCGC;
  - (iii) Strategy and Business Transformation Committee;
- (collectively the “Board Committees”).

17.2 The Board Committees operate under their respective charters. The Board Committees are authorised by the Board to deal with and deliberate on matters delegated to them within their charters, an extract of which will be made available for reference on the Company’s website (if required). The Chairman of the respective Board Committees reports to the Board on the outcome of the Board Committee meetings and such reports or Minutes will be included in the Board papers. The Chairman of the Board shall not act as a member of any Board Committee for the purposes of separation of roles unless there are strong justifications.

17.3 Although the Board has granted discretionary authority to these Board Committees to deliberate and decide on certain operational matters as set out in their respective charter, the ultimate responsibility for final decision generally lies with the Board.

17.4 There must be a clear division of the roles and responsibilities of the Board and management to ensure that there is a balance of power and authority. The GCEO and GCFO are accountable for the overall running of the Group’s business.

17.5 The responsibilities of management include the following:

- (a) **Planning:** setting objectives and mission; examining alternatives; and create strategies and plans of action for immediate, short-term, medium term and long-term;
- (b) **Organising:** organising resources, particularly human capital; assembling and coordinating financial, physical, information and other resources needed to achieve the Company’s goals;
- (c) **Directing/Leading:** stimulating high performance by employees, communicating and coordinating with employees to lead and enthuse them to work effectively together to achieve the goals and targets of the Company; and
- (d) **Controlling:** setting performance standards and measuring performance; evaluating progress against the goals and targets of the Company; and implementing and taking the appropriate actions in accordance with the business plan to achieve the desired outcomes.

**18. BOARD MEETING PROCEDURES**

18.1 The Board may meet together for the despatch of business at such time and place, adjourn and otherwise regulate their meetings and proceeding as they think fit subject to the Company’s Constitution.

18.2 Except in so far as amended by the Board, the following rules of procedure shall apply:-

- (a) the Chairman or the Company Secretary on the requisition of a Director, shall at any time summon a meeting of the Committee by giving notice of at least five (5) business days or if the consent of all the members are obtained, by shorter notice or waive the notice altogether.
- (b) notice of a Board meeting is deemed to be duly given to a Director if it is given to him personally or by post, whether in hard copy or electronic form by electronic communication to his address appearing in the Register of Directors or given by him to the Company for that purpose.

- (c) the Chairman of the Board will be responsible for establishing the agenda therefor and supervising the conduct thereof.
- (d) the quorum necessary for the transaction of the business of the Board shall be two (2).
- (e) subject to the Constitution of the Company, questions arising at any meeting of the Board shall be decided by a majority of votes. Every Director has one (1) vote. The Chairman shall not have a casting vote.
- (f) a meeting of the Board may be held either by a number of Directors who constitute a quorum, being assembled together at the place, date and time appointed for the meeting; or by means of instantaneous communication device or mode by which all Directors participating and constituting a quorum can simultaneously hear each other throughout the meeting; or by a combination of both of the methods set out above.

18.3 Notices of Board meetings and any other communication between the Company and the Director including resolutions, supply of information or documents may be in hard copy sent personally, or through the post at the last known address; in electronic form sent to the Director by electronic communication at the last known electronic address appearing in the Register of Directors or provided by the Director for purposes of communication; or partly in hard copy and partly in electronic form sent to the Director.

## **19. DIRECTORS' CIRCULAR RESOLUTIONS**

19.1 A resolution in writing signed by all Directors excluding any Director who is precluded from voting on the resolution in question, shall be valid and effectual as if it had been passed at a Board meeting. All such resolutions shall be described as "Directors' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay, and shall be recorded by the Company Secretary in the Company's Minute Book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more Directors or their alternatives.

## **20. ANNUAL PERFORMANCE EVALUATION OF THE BOARD, BOARD COMMITTEES AND INDIVIDUAL DIRECTORS**

20.1 The Board, through the NRCGC, shall conduct an annual evaluation of the size and composition of the Board and Board Committees, which include the skill sets, experience and functional knowledge of its members on a periodic basis, to ensure an appropriate balance of skills, experience and diversity. The evaluation is to determine the effectiveness of the Board as a whole and Board Committees, each individual Director via self and peer evaluation, and on independence of the INEDs.

20.2 The evaluation will be carried out by a suitably qualified external party at least once in every three (3) years.

## **21. CODE OF CONDUCT**

21.1 The Board has in place a "Code of Conduct and Ethics for Directors" which is formulated to enhance the standard of corporate governance and behaviour. It applies to all Directors which shall include the GCEO, GCFO and any other person primarily responsible for the operations or financial management of the Group. Each Director of the Group must comply with the letter and spirit of this Code which serves as a set of guiding principles for Directors in the performance and exercise of their responsibilities as Directors of the relevant companies within the Group.

21.2 The Directors shall individually acknowledge and confirm adherence to the Group's Code of Business Ethics upon their appointment to the Board.

## **22. DEALING IN SECURITIES**

- 22.1 Insider trading is considered a serious offence because:
- (a) It involves the misappropriation and taking advantage of inside information which should rightly belong to the Company;
  - (b) The insider unjustly enriches himself to the detriment of others based on the inside information;
  - (c) It is unfair to the other market participants who are not in the position to gain access to similar inside information; and
  - (d) Lastly, insider trading injures the overall market confidence of the stock market.
- 22.2 A Director is strictly prohibited from dealing in the shares of the Company if in possession of price sensitive information. The Directors are obliged to give notifications in respect of any dealings in the shares of the Company during closed and open periods as required under the MMLR of Bursa Securities. The shareholding interests of the Directors in the Company and other companies within and outside the Group shall be tabled at each quarterly Board meeting.

## **23. CONFLICT OF INTEREST AND TRANSACTION INVOLVING DIRECTORS AND GCEO**

- 23.1 A Director and GCEO of the Company must avoid a situation in which he/she has or may have a direct or indirect interest that conflicts, or may conflict with the interests of the Company. He or she must not accept benefits from or provide benefits to third parties by reason of his/her office as a Director of the Company or doing something or refraining from doing anything as a Director of the Company.
- 23.2 A Director of the Company, who has been nominated by a major shareholder ("Nominee Director"), while permitted to express his/her views, shall abstain from deliberating and voting at the Board meeting or via circular resolutions and where relevant, at the shareholders' meeting, in respect of a related party transaction which involves the interests, direct or indirect, of his nominator/major shareholder.
- 23.3 A Director and GCEO may be regarded as having a conflict of interest through another legal entity in which he or she is associated with or through a connected person. As there are various situations where a conflict may reasonably and potentially arise, the Director and GCEO should err on the side of caution and take the necessary steps to disclose and refrain from participating in the discussions and decision. In the event that the Board by a majority vote is of the view that upon due consideration of all relevant aspects, a situation has arisen which is reasonably likely to give rise to a conflict or potential conflict of interest relative to a particular director, the Board may request the director concerned to excuse himself/herself from participating and deliberating on the said matter at a Board meeting or otherwise, and abstain from voting.
- 23.4 A Director and GCEO are required to abstain from deliberating and voting on any matter in which he or she may be deemed interested, directly or indirectly, including any contract or proposed contract or arrangement involving a Group entity.
- 23.5 A Director and GCEO must declare his or her interests as well as the nature and extent of such interests in any existing or proposed transactions to which the Company is a party. As part of conflicts monitoring, the directorships and shareholdings in companies outside the Company held by a Director and GCEO and any changes thereto, will be tabled at each quarterly Board meeting.
- 23.6 The GCEO should not be involved or engaged in any activity, role or responsibility which interferes with the proper performance of his or her duties and/or obligations to the Group. In exceptional circumstances where the need arises to assume additional activities, roles or responsibilities outside the Group, the GCEO shall notify the Company Secretary and obtain prior approval from the NRCGC and/or Board.



**24. WHISTLEBLOWING POLICY AND PROCEDURES**

- 24.1 The Group has put in place Whistleblowing Policy and Procedures for the escalation of disclosures made by employees or external parties as part of the Group's commitment to effective risk management and high standards of governance and accountability.
- 24.2 Disclosures in respect of employees are primarily addressed via the Whistleblowing Line to the Corporate Assurance Division. If the disclosure relates to the Chairman of the ARC or Vice President of the Corporate Assurance Division, such disclosure shall be escalated to the Chairman of the Board and GCEO for further action.

**25. ANTI-BRIBERY AND CORRUPTION POLICY**

- 25.1 The Board has active oversight of the Astro Anti-Corruption Framework and policies and is responsible to promote a culture of integrity with zero tolerance for corruption within the Group.
- 25.2 The Group has established the Anti-Bribery and Corruption Policy ("AACP") and is committed to preventing, detecting and penalising any corrupt practices, and ensuring that opportunities for bribery and corruption are reduced, if not eliminated. The Group takes a serious view of any breach of the AACP and will not hesitate to take the appropriate disciplinary actions.
- 25.3 The AACP is intended to apply to:
- (a) all the Directors within the Group;
  - (b) all the employees within the Group, including permanent and on contract employees, regardless their position or role; and
  - (c) all business associates, including vendors, contractors, sub-contractors, consultant, agents, representatives, and other intermediaries who are performing work or services, for and on behalf of the Group ("Business Associates").
- 25.4 All the Directors must read, understand, comply and declare their acceptance and compliance with the AACP by completing the Personnel Integrity Pledge.

**26. REVIEW OF BOARD CHARTER**

- 26.1 This Charter shall be periodically reviewed and may be amended by the Board as and when it deems appropriate.

**27. CONFIDENTIALITY**

- 27.1 All papers, resolutions, minutes and deliberations of the Board are strictly and highly confidential.