

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 7195  
**COMPANY NAME** : Binastra Corporation Berhad (formerly known as Comintel Corporation Bhd)  
**FINANCIAL YEAR** : January 31, 2024

### **OUTLINE:**

#### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

#### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("Board") is committed to manage the Company and its subsidiary in line with corporate governance practices as proposed in the Malaysian Code on Corporate Governance 2021 (the "MCCG") and Paragraph 15.25(1) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Securities Malaysia Berhad ("Bursa Securities"). The Board firmly believes that corporate accountability and best corporate practices complements business practices that will facilitate the optimum achievement of the Group's goals and objectives.</p> <p>The Board continues to implement the recommendations of the MCCG, which sets out the principles and best practices on structures and processes that companies should apply in their operations towards achieving the optimal governance framework.</p> <p>The Board discloses to the shareholders on the manner in which the Company and its Group have applied the principles of the MCCG and the extent to which the Company has complied with the best practices of the MCCG throughout the financial year ended 31 January 2024 ("FY2024").</p> <p>The Board is made up of Directors who have an extensive range of skills, experience and knowledge and who are overall accountable for instilling good corporate governance practices in the Company which plays a pivotal role in fostering transparency, accountability and long-term success within the Group's businesses as well as establishing and maintaining a sound risk management framework for the Group to effectively monitor and manage risks, and to achieve an appropriate balance between risk and Company's performance.</p> <p>The Board is also entrusted with responsibilities to exercise reasonable care and having the Group's best interests in mind when employing the Company's resources and safeguarding the Company's assets. Through</p>

	set values and high standards, the Board ensures that its obligations towards shareholders and all stakeholders are met.			
<b>Explanation for departure</b>	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b>	:			
<b>Timeframe</b>	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.2**

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied	
Explanation on application of the practice	:	Tan Sri Dato’ Samshuri bin Arshad is the Chairman of the Board for FY2024.  The Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. He presides at all Board meetings and monitors the workings of the Board, especially the conduct of Board meetings.  The Chairman liaises with the Managing Director and Company Secretaries on the agenda for Board meetings and ensures that all relevant issues for the effective running of the Company’s business are on the agenda. He also ensures that quality information to facilitate decision making is delivered to Board members on a timely basis.	
	:		
Explanation for departure	:		
	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.3**

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied	
Explanation on application of the practice	:	<p>The roles of Chairman and Managing Director are separately held by Tan Sri Dato’ Samshuri Bin Arshad (“<b>Tan Sri Dato’ Samshuri</b>”) and Datuk Tan Kak Seng, respectively, making sure there is a clear distinction between the responsibilities of both positions and to prevent any undue overlap in oversight.</p> <p>Essentially, Tan Sri Dato’ Samshuri leads the Board while Datuk Tan Kak Seng, assisted by the Executive Director and Senior Management, leads the team and overseeing the day-to-day operations of the Group. This ensures an instillation of good governance in addition to a balance in authority through restricted powers in decision making with the respective role.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The Chairman of the Board is neither a member of the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"), nor he participates in the meetings of the said Board committees.
<b>Explanation for departure</b>	:	Please provide an explanation for the departure.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.5**

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by two (2) qualified and competent Company Secretaries who are members of Malaysian Institute of Chartered Secretaries and Administrators. The Company Secretaries provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.</p> <p>The Company Secretaries attend all the Board Meetings, Board Committees Meetings, annual general meeting and extraordinary general meeting (collectively the "General Meetings") and any other meetings, if needed. They ensure accurate and proper records of the proceedings and resolutions passed are maintained in the statutory records at the registered office of the Company. The Company Secretaries update the Board of the new requirements and, compliance matters and new legislations passed in relation to the affairs of the Company. The Company Secretaries act as a conduit for the Board and the Management in facilitating timely communication of decisions made and policies set by the Board at the Board Meetings to the Management for implementation. Besides that, the Company Secretaries work closely with the Management to ensure that there are timely and appropriate information flows within and to the Board, Board Committees and between the non-executive directors and the Management.</p> <p>The appointment and removal of the Company Secretaries must be approved by the Board.</p> <p>The key responsibilities carried out by the Company Secretaries during the FY2024 are as follows:</p> <ul style="list-style-type: none"><li>○ Co-ordinated with the Board on the meeting agenda and schedule;</li><li>○ Managed all Board and Board Committee meetings;</li><li>○ Attended and prepared minutes of all Board and Board Committee meetings (including Board/Board Committee Circular Resolutions) and General Meetings of the Company;</li><li>○ Briefed and updated the Board on the provisions of Companies Act 2016, latest changes on the Listing Requirements and MCCG and their applications;</li></ul>

	<ul style="list-style-type: none"> <li>○ Assisted the Company in reviewing the Corporate Governance Overview Statement and other relevant statements/report contained in the Annual Report 2023;</li> <li>○ Assisted the Company in reviewing the Circular to Shareholders on Proposed Shareholders' Mandate for Recurrent Related Party Transactions;</li> <li>○ Assisted the Board in drafting/reviewing and submitting all announcements required to be made by the Company pursuant to the Listing Requirements;</li> <li>○ Assisted the Board in lodging all sorts of statutory forms/notifications to Companies Commission of Malaysia as required under the Companies Act 2016;</li> </ul>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

**Practice 1.6**

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>Notice for each Board meeting together with the meeting papers relating to the agenda items thereto are sent out to all Directors seven (7) days beforehand. Sufficient time is allocated for discussion of the issues tabled under the agenda and for the Management to response to additional request of information which Directors may make during meetings.</p> <p>The Company Secretaries circulate draft meeting minutes to the chairman of the meeting for review as soon as the minutes are drafted. Meeting minutes record the motions, decisions and key discussions in connection with the Board/Board Committees meeting agenda.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

**Practice 2.1**

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has formally adopted a Board Charter and it was last reviewed on 26 April 2024. The Board Charter's objectives are to ensure that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles of good corporate governance are applied in all their dealings in respect and on behalf of the Company.</p> <p>This Board Charter is not an "all inclusive" document and should be read as a broad expression of principles. The Board Charter will be reviewed on a periodic basis and may be amended by the Board from time to time.</p> <p>The Board Charter covers the following key areas:</p> <ul style="list-style-type: none"> <li>- Roles and Responsibilities of the Board, the Individual Directors, the Chairman, the Managing Director and the Board Committees;</li> <li>- Composition and Board Balance;</li> <li>- Performance of the Board;</li> <li>- Board Meetings;</li> <li>- Remuneration Policy;</li> <li>- Access to Information and Independent Advice;</li> <li>- Financial Reporting;</li> <li>- Interest of Stakeholders; and</li> <li>- Conflicts of Interests.</li> </ul> <p>The Board reserves full decision-making powers on the following matters:</p> <ul style="list-style-type: none"> <li>- Conduct of the Company's business;</li> <li>- Adopting strategic planning for the Company;</li> <li>- Governance and compliance matters;</li> <li>- Sustainability and succession planning;</li> <li>- Conflict of interest issues relating to a substantial shareholder or a Director;</li> </ul>

	<ul style="list-style-type: none"> <li>- Material acquisitions and disposition of assets not in the ordinary course of business;</li> <li>- Investments in capital projects;</li> <li>- Treasury policies;</li> <li>- Internal controls and Risk management policies; and</li> <li>- Shareholders' communication policy, stakeholder liaison and other key human resource issues.</li> </ul> <p>The Company's Board Charter is published on our website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.1**

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board formally adopted the Code of Conduct and Ethics on 18 May 2023 and last review on 26 April 2024. Previously, the Directors observed a code of ethics in accordance with the Company Directors’ Code of Ethics established by the Companies Commission of Malaysia.</p> <p>The Code of Conduct and Ethics provides guidance to stakeholders on the ethical behaviour to be expected from the Group and sets out the Board’s responsibilities as well as the Management’s responsibilities to communicate, measure and monitor its values and performance to achieve objectives and to instil values.</p> <p>The Code of Conduct and Ethics also provides a set of ethical standards and behaviour to guide each Director and every employee of the Group in the conduct of their business.</p> <p>A copy of the Code of Conduct and Ethics is published on our website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.2**

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with good corporate governance practices, the Board encourages its employees and associates (“the reporting individual” or “RI”) to report suspected and/or known misconduct wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Company. This has led to the establishment of the Whistle Blowing Policy by the Group and the policy was last reviewed on 26 April 2024.</p> <p>RI is encouraged to inform Mr Teh Soon Hin, the chairman of the ARMC at <a href="mailto:whistleblow@binastracorp.com.my">whistleblow@binastracorp.com.my</a> if he/she suspects an improper conduct, wrongdoings, corruption, fraud, waste or abuse has occurred.</p> <p>The policy is published on the Company’s website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.1**

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company is committed to promoting sustainability practices in the Group and has undertaken various efforts in improving our business operations. It is our collective belief that these values form the doctrine of our operations and business strategies.</p> <p>The Group's Board has the overall responsibility of overseeing the Group's sustainability matters, its direction and performance. The management team, led by the Managing Director, is responsible for managing, monitoring and reviewing the sustainability matters of the Group, in accordance with the established policies and practices.</p> <p>The Company adopts a pragmatic approach in Systematic Risk Management by constantly assessing and managing the financial and business risks of the organisation.</p> <p>On 21 December 2023, the Board has established a Sustainability Committee ("SC") with the primary objective of developing, implementing and driving the Company and its subsidiary with sustainability strategies and initiatives to manage the impact of the Group's operations on environmental, social, economic and governance aspects. The SC is guided by its terms of reference and report to the Board for decision.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the need for continuous dialogue and information sharing with the relevant stakeholders in a timely, effective, and transparent manner.</p> <p>Stakeholders have a significant impact on business success. As such, the Group cultivates good relationships with key stakeholders which enables us to make better business decisions and manage their expectations through regular engagement sessions. Further details of stakeholders' engagement are disclosed in Sustainability Statement of the Company's Annual Report 2024.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.3**

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Group's Board has the overall responsibility of overseeing the Group's sustainability matters, its direction and performance. Material sustainability matters are discussed during the Board meetings.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.4**

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	<p>The evaluation of the Board performance for FY2024 did not include a review of the performance of the Board in addressing the Company's material sustainability risks and opportunities.</p> <p>Please refer to the Sustainability Statement contained in the Annual Report 2024 which outlined the sustainability activities undertaken by the Group.</p> <p>The Company does not have any alternative practice currently.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.5- Step Up**

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.1**

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The tenure of each Director is reviewed by the NC annually. Presently, the Board is comprised of fairly new Board members. As at 31 January 2024, except for Tan Sri Dato’ Samshuri bin Arshad, the length of service of the Directors ranged from between 1 to 2 years. During the FY2024, there was no new appointment to the Board.</p> <p>The Board via the NC conducts an annual evaluation of the Board’s performance by sending out a set of Board Evaluation Questions to all the Directors. Findings were compiled and deliberated during the NC Meeting and thereafter, recommendations for improvement together with the findings were reviewed by the Board for further action.</p> <p>All Directors seeking for re-election at the annual general meeting (“AGM”) are contingent upon satisfactory evaluation of the director’s performance and contribution to the Board.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>There is a strong and independent element on the Board with more than half of the Board comprising independent directors (4 out of 6). This is fundamental to good corporate governance as its facilitates the exercise of independent and objective judgement on corporate affairs. The Chairman of the Board, who is an Independent Non-Executive Director, leads the Board while the Management of the Group is led by the Managing Director.</p> <p>The Board comprises Directors from different industries and background, with engineering, accounting and finance, legal, business management. The Board’s industry knowledge and expertise who, collectively as a group provides the core competencies for the leadership of the Company.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	<p>There is one (1) Independent Director who has served the Board as Independent Director for more than nine (9) years but less than twelve (12) years. In accordance with the Group’s policy, the Independent Director will sign a Declaration of Independence annually and the NC shall review the said Declaration and, upon satisfaction on the justifications to retain the long serving Independent Director, make recommendation to the Board to retain the said Independent Director for another year subject to the shareholders’ approval at general meeting through a two-tier voting process.</p> <p>The justifications of the Board for recommending and seeking shareholders’ approval for the Independent Director to continue in office are set out on page 29 of the Company’s Annual Report 2024.</p> <p>Having said that, the Board is of the view that the independence of the Independent Director should not be determined solely or arbitrarily by their length of service. Independence should also be judged based on the integrity and objectivity of the Independent Director in discharging his responsibilities. The Board believes that continued contribution will provide stability and benefits to the Board and the Company as a whole, especially their invaluable knowledge of the Group and its operations gained through the years.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

*Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	Please provide an explanation on the adoption.

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.5**

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NC comprises of three (3) Independent Non-Executive Directors. The NC is responsible for proposing and recommending new nominees to the Board as well as to fill seats on the Board Committees; assessing the effectiveness of the Board and the contribution of each individual director on an on-going basis.</p> <p>The NC makes independent recommendations for appointments to the Board. In making these recommendations, the NC assesses the suitability of the candidates as guided by the Company's Fit and Proper Policy, taking into account the required mix of skills, knowledge, expertise, experience, professionalism, integrity, competencies, time commitment and other qualities such as diversity in the ethnicity, gender, age, etc of the candidates before recommending their appointments to the Board for approval.</p> <p>With regards to the time commitment, the NC will assess the suitability of candidates on devotion of time and commitment to serve as a Board member by considering any external obligations a candidate may have including other management roles or existing board positions across listed and non-listed entities.</p> <p>All existing Directors are also obligated to notify the Chairman of the Board of any impending new directorship and the amount of time that will be dedicated towards the new appointment.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		



<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.6**

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group adopted Nomination Process of Directors Policy on 18 May 2023 and last review the policy on 26 April 2024 to facilitate and provide a guide for the NC to identify, evaluate, select and recommend to the Board the candidate to be appointed as a director.</p> <p>In identifying candidates for appointment of directors, the Board, through the NC, will consider recommendation from existing Board members, Management, major shareholders or source from third party.</p> <p>The NC is chaired by an Independent Non-Executive Director. The NC makes independent recommendations for appointments to the Board. In making these recommendations, the NC assesses the suitability of the candidates taking into account the required mix of skills, knowledge, expertise, experience, professionalism, integrity, competencies, time commitment and other qualities of the candidates before recommending their appointments to the Board for approval.</p> <p>There is no new Board appointment in FY2024.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.7**

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>There is no new Board appointment in FY2024. Details of the Directors' position, nationality, gender, age, experience and interests are set out in the Profile of Directors as contained in the Company's Annual Report 2024.</p> <p>The performance of the Directors is assessed by the NC annually. Subject to the satisfactory assessment, the Board makes recommendation to the shareholders to approve the re-election of the retiring Director as Director of the Company at AGM.</p> <p>Further details on the results of the annual evaluation on the effectiveness/performance of the Board and Directors for FY2024 are set out on page 29 of the Annual Report 2024. The Board's statement regarding its recommendation on the re-election of Directors can be found in the notes to the notice of the AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NC is chaired by an Independent Non-Executive Director.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	Presently, there is only one woman director on the Board, equating to 16.67% of female representation on the Board.	
		The Board acknowledges the MCCG’s recommendation of at least 30% women representative in boardroom and will take the necessary measures to comply with the recommendation.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.10**

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has formally adopted the Gender Diversity Policy and Target on 18 May 2023 which is available on the Company's website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a> . The said policy was last review on 26 April 2024.	
<b>Explanation for departure</b>	:		
		Please provide an alternative practice and explain how the alternative practice meets the intended outcome.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.	
<b>Timeframe</b>	:	Choose an item.	

### Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board via its NC conducts annual evaluation of the Board's performance by sending out Board Evaluation Questionnaires to all the Directors. Findings were compiled and deliberated during the NC Meeting and thereafter, recommendations for improvement together with the findings were reviewed by the Board for further action.</p> <p>All the Board Committees were also evaluated annually by the Board to ensure their performance are satisfactory.</p> <p>The Directors who are subject to re-election at the next AGM will be assessed by the NC before recommendation is made to the Board and shareholders for the re-election as Directors.</p> <p>Full details on the annual evaluation of the performances of the Board, the Board Committees and Directors are set out on page 29 of the Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

**Practice 7.1**

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board formally adopted the Remuneration Policy and Procedures on 18 May 2023 and last review the policy on 26 April 2024, which is available on the Company's website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p> <p>The remuneration package for Executive Directors and Senior Management are reviewed annually by the RC and it shall take into account of the nature of role, performance of the business and the individual, and market positioning.</p> <p>The remunerations of the Independent Non-Executive Directors are in the form of Directors' fee and benefits (i.e. meeting allowance and benefit-in-kind) which are subject to shareholders' approval. The Independent Non-Executive Directors are also entitled to other benefits if so proposed by the RC to the Board for decision and recommendation to the shareholders for approval at general meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

**Practice 7.2**

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board formally adopted the Terms of Reference of the RC on 18 May 2023 and reviewed the same on 26 April 2024, copy of which is available on the Company's website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p> <p>The members of the RC at the end of the FY2024 until the date of issuance of this report comprised wholly Independent Non-Executive Directors, which are as follows:</p> <ul style="list-style-type: none"> <li>• Ms Tan Mai Yean (Chairperson)</li> <li>• Mr Teh Soon Hin (Member)</li> <li>• Mr Low Tuan Lee (Member)</li> </ul> <p>The RC is responsible for the implementation of Remuneration Policy and Procedures and to make recommendation to the Board on the remuneration packages of the Executive Directors and Senior Management. The ultimate responsibility for determining remuneration of the Executive Directors and Senior Management lies with the Board. The Board also determines the remuneration of the Independent Non-Executive Directors. The director concerned will abstain from discussing his or her own remuneration. The directors' fees and any benefits payable to the Independent Non-Executive Directors shall be subject to shareholders' approval at general meeting in accordance with the provisions in the Constitution of the Company.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	The details of the remuneration of the Directors (including benefits-in-kind) of each Director for the FY2024 are disclosed on page 31 of the Annual Report 2024.

No	Name	Directorate	Company (RM)							Group (RM)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Dato' Samshuri bin Arshad	Independent Director	36,000	3,500	Input info here	Input info here	16,000	Input info here	55,500	36,000	3,500	Input info here	Input info here	16,000	Input info here	55,500
2	Datuk Tan Kak Seng	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Lee Seng Yong	Executive Director	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Teh Soon Hin	Independent Director	36,000	7,500	Input info here	Input info here	Input info here	Input info here	43,500	36,000	7,500	Input info here	Input info here	Input info here	Input info here	43,500
5	Low Tuan Lee	Independent Director	36,000	7,500	Input info here	Input info here	Input info here	Input info here	43,500	36,000	7,500	Input info here	Input info here	Input info here	Input info here	43,500
6	Tan Mai Yean	Independent Director	36,000	7,500	Input info here	Input info here	Input info here	Input info here	43,500	36,000	7,500	Input info here	Input info here	Input info here	Input info here	43,500
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here



**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.2**

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure
<b>Explanation on application of the practice</b>	:	
<b>Explanation for departure</b>	:	<p>The Company practices disclosure on a named basis the remuneration of its senior management, whom are Executive Directors. However, as the Executive Directors decided to forego their salaries for FY2024, there are no amount to be disclosed on named basis. For senior management who are not a Director of the Company, the Company decided not to publicly disclose their remuneration on a named basis. The Board opined that the disclosure on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000 would not be in the best interest of the Group due to confidentiality and security concerns as well as may lead to recruitment and talent retention issues.</p> <p>The remuneration of the Senior Management of the Group and the Company (excluding Executive Directors) for FY2024 were disclosed in Note 21 - Employee Benefits Expense of the notes to the financial statements on page 117 of the Annual Report 2024.</p> <p>The Board will continue to review the application of this practice from time to time and consider the appropriateness of such disclosure.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	



No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Chairman of the ARMC is an Independent Director and is not the Chairman of the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied	
Explanation on application of the practice	:	For FY2024, the ARMC comprised of three (3) members, all of whom are Independent Non-Executive Directors.	
		None of the ARMC members were former audit partner of the Company’s external auditors.	
		The Terms of Reference of the ARMC, which was revised on 26 April 2024, requires a former partner of the external audit firm of the Company to observe a cooling-off period of at least three (3) years before being appointed as a member of the ARMC.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.3**

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board formally adopted the Policy on Evaluation of External Auditors on 18 May 2023 and last review the same on 26 April 2024. The ARMC will review annually the appointment, performance and audit fees of the External Auditors before recommending them to the Board for approval for seeking shareholders' approval at the AGM for re-appointment.</p> <p>The external auditors shall be evaluated by the ARMC based on the following criteria to determine their suitability and objectivity:</p> <ul style="list-style-type: none"> <li>- knowledge of the statutes and regulations and relevant accounting standards;</li> <li>- ability to meet deadlines in performing the audit;</li> <li>- quality and quantity of human resource used to perform the assigned audit;</li> <li>- work methods and value of samplings used;</li> <li>- flexibility and availability;</li> <li>- competence, discretion and communication skills of personnel assigned to the audit;</li> <li>- clarity of presentations and quality of the audit and reports produced;</li> <li>- appropriateness of audit fees to perform the audit; and</li> <li>- independence.</li> </ul> <p>Private session between ARMC and External Auditors without the present of the Management or the Group's employees is arranged as and when required by the ARMC members to ensure the objectivity and independence of the ARMC. For the FY2024, the ARMC had two (2) private sessions with the External Auditors.</p> <p>In addition, as part of the ARMC's review processes, the ARMC obtained 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.</p> <p>For FY2023, the ARMC had considered and reviewed the performance and independence of the External Auditors as well as the non-audit</p>

	<p>services undertaken by the External Auditors and recommended to the Board for approval for seeking shareholders' approval at the 20th AGM for the re-appointment of RSM Malaysia PLT as Auditors of the Company for financial year ended 31 January 2024.</p> <p>During the FY2024, on the recommendation of the ARMC after assessing the suitability of Baker Tilly Monteiro Heng PLT, the Board has appointed Baker Tilly Monteiro Heng PLT to act as new auditors of the Company to fill the casual vacancy created by RSM Malaysia PLT, who has notified its resignation on 3 October 2023. The resignation of RSM Malaysia PLT as the Auditors of the Company is based on mutual consent of both parties following the Board's decision to change the auditors of the Company so that the Board could gain fresh perspectives and views from new auditors in line with the Board's initiatives where it constantly looking at various aspects of its business units and service providers in order to better enhance shareholders' value.</p> <p>This year, on 16 May 2024, the ARMC conducted evaluation process on External Auditors and recommended to the Board to seek shareholders' approval at the forthcoming 21<sup>st</sup> AGM for the appointment of Baker Tilly Monteiro Heng PLT as Auditors of the Company for financial year ending 31 January 2025</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	All members of the ARMC are Independent Non-Executive Directors.

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.5**

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The ARMC is established by the Board and it comprised three (3) members, all of whom are Independent Non-Executive Directors.</p> <p>Collectively, the ARMC members have a wide range of skill, knowledge and experience including accounting and corporate works ranging from professional accounting firms, finance, legal and research companies. One (1) of the Audit Committee Members is a Chartered Accountant and is a member of Malaysian Institute of Accountants.</p> <p>With the relevant skills, knowledge and experience, the ARMC members are financially literate and are able to understand, analyse, critically and objectively review, challenge and made recommendations on matters under the purview of the ARMC.</p> <p>The profile of each of the members of the ARMC is set out on pages 8 to 10 of the Company's Annual Report 2024.</p> <p>During FY2024, the conferences, seminars and training programmes that have attended by the ARMC members are disclosed on page 26 of the Company's Annual Report 2024.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
------------------	---	--	--



**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.1**

The board should establish an effective risk management and internal control framework.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board is fully committed in discharging its responsibilities by establishing a sound risk management and internal control system to safeguard shareholders' investment and the Group's assets.</p> <p>The Board is responsible for the overall risk management in the Group while the key management personnel and senior management lead by Managing Director are primarily responsible for managing risks identified within the Group.</p> <p>The Group maintains Group Risk Registers which documented all significant risks identified to assist key management personnel and senior management in managing the risks. The risk assessment exercise of the Group is undertaken in accordance with their business segments, namely Investment Holding and Construction.</p> <p>Details of the Group’s Risk Management and Internal Control Framework are set out in its Statement on Risk Management and Internal Control which is on pages 34 to 36 of the Company’s Annual Report 2024.</p>	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.2**

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board continually reviews the risk management process which include identifying, evaluating and managing business risks with the intention to effectively mitigating the risks that may impede the achievement of the Group's business and corporate objectives.</p> <p>The duty of reviewing the adequacy and effectiveness of the internal control system has been assigned to the ARMC, to seek assurance on the adequacy and effectiveness of the internal control system through reports it received from independent reviews conducted by the Internal Audit function.</p> <p>Details of the risk management and internal control framework and the adequacy and effectiveness of the framework are disclosed in the Statement on Risk Management and Internal Control which is on pages 34 to 36 of the Company's Annual Report 2024.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

**Practice 10.3 - Step Up**

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The duty of reviewing the adequacy and effectiveness of the internal control system has been assigned to the ARMC.</p> <p>All the members of the ARMC are Independent and Non-Executive Directors.</p>

**Intended Outcome**

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

**Practice 11.1**

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board recognised the importance of the internal audit function and the independent status required for it to carry out its functions effectively. The internal audit function has been outsourced to an independent professional services firm, which is tasked with the aim of assisting the ARMC in assessing risks, recommend measures to mitigate risks, establish cost effective controls and assess proper governance process. The internal audit function reports on its findings and recommendations directly to the ARMC.</p> <p>For the FY2024, the outsourced internal audit function had carried out the following audits based on the internal audit plan approved by the ARMC and the Board:-</p> <ul style="list-style-type: none"><li>- Project management on Construction segment</li><li>- Project management on System Integration and Maintenance Service segment</li></ul> <p>There were no material or significant losses incurred during the financial year as a result of weakness in internal control.</p>	
<b>Explanation for departure</b>	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The internal audit function is headed by Mr Khor Ben Jin, the Senior Manager and assisted by two to three internal audit personnel for each of the internal audit review cycles. Mr Khor is a Fellow Member of the Association of Chartered Certified Accountants, United Kingdom, a Certified Internal Auditor, United States of America as well as a member of the Malaysian Institute of Accountants. He is a practicing internal auditor with over 20 years of experience. The internal audit personnel involved in the internal audit reviews possess professional qualification and/or a university degree.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board ensures that there is effective, transparent and regular communication with its stakeholders in the following ways:</p> <ol style="list-style-type: none"><li>1. AGM/EGM</li><li>2. Annual Report</li><li>3. Quarterly Financial Announcements</li><li>4. Announcements on major developments</li><li>5. Company's Website</li></ol> <p><u>AGM/EGM</u> At the AGM/EGM, shareholders' concerns and queries are addressed while feedbacks and suggestions are noted by the Board and the Management. A summary of the proceedings of the AGM/EGM as well as the minutes of the AGM/EGM are available at the Company's website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p> <p><u>Annual Report ("AR")</u> AR is issued at the earliest timeline possible to ensure timely dissemination of information to the shareholders.</p> <p><u>Quarterly Financial Announcements</u> The Board ensures that financial results of every quarter are also issued on a timely manner to the shareholders.</p> <p><u>Announcements on major developments</u> Any major developments were disseminated to the stakeholders/shareholders at the earliest timeline possible.</p> <p><u>Company's Website</u> The Group maintains a website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a> where shareholders or investors may access information of the Group.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

**Practice 12.2**

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board had adopted the recommendation of MCCG for the notice of AGM to be given to shareholders at least 28 days prior to the meeting.</p> <p>The Notice of the Company’s 20th AGM was given to the shareholders at least 28 days prior to the date of the AGM.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.2**

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>All the Directors attended the Company’s 20th AGM and other General Meetings.</p> <p>The Key Management Personnel and the Company’s External Auditors were also present at all the General Meetings.</p> <p>During the General Meetings, the Chairman invited shareholders to raised questions. All the questions raised by shareholders were properly addressed and included in the minutes to the General Meetings, which can be obtained from the Company’s website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate—

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company had leveraged on technology to facilitate remote shareholders' participation and electronic voting for the conduct of poll on the resolutions at its virtual 20th AGM. The entire AGM proceedings were held through Remote Participation and Voting (RPV) facilities provided by Tricor Investor &amp; Issuing House Services Sdn. Bhd. at <a href="https://tiih.online">https://tiih.online</a>. The administrative guide of the AGM including the procedures for RPV facilities were published in the Company's website and shared with shareholders. The RPV facilities provide the option for shareholders to cast their votes virtually at General Meeting without the need to appoint a proxy.</p> <p>Shareholders attended, spoke (including posing questions to the Board via real time submission of typed texts) and voted remotely at these General Meetings via the RPV facilities at the above-mentioned online meeting platform.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 20th AGM and EGM of the Company were conducted fully virtual.</p> <p>The Board recognises that the General Meetings are a valuable opportunity for the Board to engage with shareholders. In order to enhance the efficiency of the proceedings of the General Meetings, shareholders allowed in advance, before the General Meetings, to submit questions to the Board via Tricor's TIH Online website at <a href="https://tiih.online">https://tiih.online</a>.</p> <p>During each of the General Meetings, the Chairman of the General Meeting had informed the shareholders that they could submit their questions and comments to the Board during the livestreaming via the RPV facilities at the above-mentioned online meeting platform. The administrative guide to General Meeting attached to the notice of meeting provides guidance to shareholders on how to submit questions prior to the General Meeting and during the livestream of the General Meeting. The Board addressed all the questions received at the General Meeting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The 20th AGM and EGM of the Company were conducted were conducted fully virtual through live streaming and online participation and voting using RPV facilities via online meeting platform at <a href="https://tiih.online">https://tiih.online</a> provided by Tricor Investor &amp; Issuing House Services Sdn. Bhd. in Malaysia.</p> <p>Administrative guide detailing the registration and voting procedures in relation to the virtual General Meetings was distributed to the shareholders.</p> <p>Shareholders allowed in advance, before the General Meetings, to submit questions to the Board via Tricor's TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>. In addition, the shareholders were informed by the Chairman of the General Meeting to pose questions to the Board via real time submission of typed texts during the General Meeting. Questions posed by shareholders were made visible to all meeting participants during the meeting itself.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Minutes of the 20 <sup>th</sup> AGM and EGM were available on the Company's website <a href="http://www.binastracorp.com.my">www.binastracorp.com.my</a> within 30 business days after the General Meetings.
<b>Explanation for departure</b>	:	
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	
	:	

## **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

Click or tap here to enter text.