



**HUBLINE BERHAD**  
(COMPANY NO: 023568-H)

**BOARD CHARTER**

In light of the recent improvements to the Malaysian Code of Corporate Governance (MCCG 2012), the Board of Directors ("the Board") of Hubline Berhad ("the Company") reviewed its corporate governance policies and structure and took action in implementing a Board Charter published in its website.

## **PURPOSE**

The Board Charter acts as a valuable resource to the Board for guidance on effectively discharging its duties and responsibilities in relation to the overall leadership of the Company.

The Board Charter is complementary to the requirements regarding directors contained in the Companies Act, Listing Requirements, MCCG2012, and other relevant Malaysian legislations and regulations, the Company's articles of association, and the terms of reference of each board committee.

## **THE BOARD OF DIRECTORS**

### **Duties and Responsibilities**

The Board has a fiduciary duty and is expected to act in good faith with reasonable care and skill in the interests of the Company's shareholders. The Board must exercise proper judgment, free of self-interest and conflict. The Board is held accountable for the dealings of the Company as well as preserving the integrity of financial information it provides to the public.

The Board establishes committees to assist in discharging its duties, providing the oversight function as well as to facilitate timely and relevant decision making. The committees are governed by its respective terms of reference which have been approved by the Board.

### **Composition and Balance**

The Board recognises that the effectiveness of its role in moulding the Company's strategic direction lies on the wealth of talent, skill, experience, and values of its members. The Board members must collectively have a diverse pool of backgrounds both academically and professionally. Insight on areas such as accounting, law, business administration, and the maritime industry are highly valued by the Company to ensure that its leaders have the knowledge and experience to provide sound management decisions to the Company. The Board regularly evaluates its continued compliance with the listing requirements and the MCCG 2012, and ensures that it has adequate members delegated to appropriate positions. Any changes to the law and to the suitability of the members of the board are taken into consideration in succession planning discussions.

The Board members are also expected to keep themselves abreast of all the relevant changes in the socio-economic and political environment that the Company operates in, and are provided support and resources to up skill and participate in training sessions and seminars that are available. This is

to ensure that the Board's knowledge remains up to date and relevant to the day to day operations of the Company.

Newly appointed members of the Board must complete the Mandatory Accreditation Programme as required by Bursa as well as familiarisation of the role and the business through in-house orientation/induction sessions.

## **BOARD EVALUATION & DEVELOPMENT**

The performance of individual directors must be independently assessed by the Nominating Committee as required. Any gaps in knowledge or experience should be addressed by engaging the Board to participate in training programs and seminars.

## **BOARD MEETINGS AND SCHEDULE OF MATTERS**

Board meetings must be conducted regularly, at least once every quarter, or more often as necessary. Board meetings are called by the Chairman and if possible, scheduled at least one month in advance to ensure all members will be available to attend. Agenda of the meeting must be circulated at least 5 days prior to enable the Board to adequately prepare for discussions.

As prescribed in the Bursa CG Guide, The chairman, assisted by the company secretary, should monitor technical matters which include:

- (a) timely circulation of proper notice of meetings together with the agenda;
- (b) punctuality of directors for board meetings;
- (c) presence of a quorum;
- (d) accuracy of the agenda content;
- (e) reasonable time for directors to consider board papers prior to the board meeting;
- (f) adherence to the company's Memorandum and Articles of Association; and
- (g) applicable provisions of the Companies Act, the Listing Requirements and other regulatory requirements.

Minutes of meeting must be drawn up for every meeting, usually by the Company Secretary.

## **COMPLIANCE**

The Board ensures that the Company is in compliance with the provisions of the relevant governing statutes, regulations and rules or any other directives or requirements imposed by the regulatory bodies and/or relevant authorities as required by law.

## **CORPORATE DISCLOSURE**

The Board is responsible to provide timely and relevant information to the Company's shareholders in accordance to the Malaysian Companies Act (CA), the Listing Requirements and other relevant legislation as well as the company's policies.

## **ACCESS TO INTERNAL AND EXTERNAL INFORMATION**

The Board, as part of its duties, may require information from management and staff. The Board may, at anytime suitable for both parties, discuss relevant matters as required by the Board.

The Board may also engage the services of external parties to provide professional/technical advice in their area of expertise at the company's expense in furtherance of the directors' duties (whether as a board or in their individual capacity).

## **THE BOARD'S RELATIONSHIP WITH MANAGEMENT**

Management is responsible in delivering results for the business and the Company's performance is regularly reviewed by the Board to ensure that it is in line with the Company's strategy and objectives. Both management and the Board must exercise mutual respect for each other and freely exchange opinions and information in order to make efficient and effective decisions for the Company. The Board ensures that management has the appropriate support and resources in order to enhance the Company's performance. Should there be any conflict or disagreements, the Board and management may consult external independent parties to mediate and provide advice.

## **REVIEW OF THE BOARD CHARTER**

The Board Charter will be reviewed and updated as required by the Company in order to continually uphold good corporate governance as well as to maintain compliance to relevant laws and regulations.