



NI HSIN GROUP BERHAD
Registration No. 200401014850 (653353-W)
(Incorporated in Malaysia)

BOARD CHARTER

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1. OVERVIEW

- 1.1 The Board of Directors (“**Board**”) is primarily responsible for ensuring that Ni Hsin Group Berhad (“**NHG**” or “**the Company**”) has an appropriate corporate governance structure to ensure the interests of shareholder and stakeholders are protected while enabling NHG to achieve long term sustainability.
- 1.2 The Board is also responsible for ensuring that Management recognises NHG’s legal and other obligations to all legitimate stakeholders. “Stakeholders” are groups that are likely to feel a social, environmental, economic or financial impact from NHG’s actions. They include shareholders, customers, suppliers, employees, government regulators and members of the communities where NHG operates and are affected by NHG’s activities.
- 1.3 NHG’s obligations to its Stakeholders require that appropriate accountability and control systems are in place.
- 1.4 This Board Charter (“**Charter**”) explains NHG’s commitment to corporate governance. It is not an “all inclusive” document and should be read as a broad expression of principles.

2. COMPOSITION OF THE BOARD

- 2.1 The Board is to comprise:-
 - (a) Directors with an appropriate range of skills, knowledge, experience, and expertise;
 - (b) Directors who have a proper understanding of, and competence to deal with, current and emerging issues of the business;
 - (c) Directors who can effectively review and challenge the performance of Management and exercise independent judgement; and
 - (d) at least two or one-third of the Board, whichever is higher, must be Independent Directors who meet the requirements prescribed by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”) and act independently of management. If the number of Directors is not three or a multiple of three, then the number nearest 1/3 must be used. In the event of any vacancy of the Board resulting in non-compliance with above, NHG must fill the vacancy within three months.

To foster greater objectivity in the boardroom, at least half of the Board shall compose of Independent Directors.
- 2.2 Pursuant to Clause 93 of NHG’s Constitution, until otherwise determined by a general meeting, the number of Directors shall not be less than two (2) nor more than nine (9).

- 2.3 The Board should be of a size and composition that is conducive to making decisions expediently, with the benefit of a variety of perspectives and skills, and in the best interest of NHG and its subsidiaries (“**Group**”) as a whole rather than of individual shareholders or other stakeholders.
- 2.4 The Board shall endeavour to achieve 30% female directors whenever a suitable female candidate is identified. The Board through its Nomination Committee should take steps to ensure that woman candidates are sought as part of the recruitment exercise. Where the composition of women on the Board is less than 30%, the Board should disclose the action it has or will be taking to achieve 30% or more and the timeframe to achieve this. A reasonable timeframe is three years or less.

Notwithstanding the above, the Board shall, at all times, comprise at least one (1) women Director in accordance with the Listing Requirements.

- 2.5 While the Board allows its Directors to accept appointments to other boards, the Directors are required to discuss with the Chairman and/or the Chief Executive Officer/Managing Director (where applicable) before accepting the new appointment and to indicate the time expected to be spent on the new appointment. Each Board member must not hold directorships at more than five (5) listed issuers.
- 2.6 The Board is committed to a merit based system for Board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing the Board composition or identifying suitable candidates for appointment or re-election of Director to the Board, the Board would consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.
- 2.7 The appointment of a new Director to the Board is only made after consultation with the Nomination Committee and it is of essence of the Board to ensure high levels of professional skills and appropriate personal qualities are pre-requisites for such nominee.

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 variety of independent sources including directors’ registry, industry and professional association, open advertisements and independent search firms to identify suitably qualified candidates.

The criteria for the recruitment or appointment (including re-election/re-appointment) of the Director is guided by the fit and proper assessment by the Nomination Committee.

- 2.8 The Board recognises the need for an appropriate balance between executive Directors who possess extensive direct experience and expertise in the core Business activities of the Group, and non-executive Directors who have outstanding track records and reputation, and who are able to bring to the Board a broad range of general commercial expertise and experience.
- 2.9 No active politician shall be appointed, re-appointed, elected or re-elected as a Director on the Board or continue to serve as a Director. A person is considered an “active politician” if he is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.

3. DUTIES AND RESPONSIBILITIES OF THE BOARD

- 3.1 Shareholders elect the Board to oversee Management and to ensure that Shareholder long-term interests are served. Through oversight, review and counsel, the Board establishes and promotes NHG's business and organisational objectives, provides leadership to NHG, oversees business affairs and integrity, works with Management to determine the Company's mission and long-term strategy.
- 3.2 The Board has delegated certain responsibilities to committees which operate in accordance with the Charter approved by the Board and delegated the day to day management of the business of the Group to Management and Executive Directors. The Board should, among others undertake the following:-
- (i) Strategic planning - to review and approve strategies, business plans and key policies for the Group and monitor Management's performance in implementing them to determine whether the business is being properly managed;
 - (ii) Corporate goal - to set corporate values and clear lines of responsibility and accountability, including governance systems and processes that are communicated throughout the Group;
 - (iii) Compliance to regulation - to ensure full compliance and to carry out the duties of the Board in accordance with the relevant provisions of the Listing Requirements, the Capital Markets and Services Act 2007, Companies Act 2016 ("CA"), Malaysian Code on Corporate Governance and all applicable laws, regulations and guidelines;
 - (iv) Independent and transparent - to ensure that there shall be unrestricted access to independent advice or expert advice at the Company's expense in furtherance of the Board's duties;
 - (v) Code of conduct - to formalise the ethical standards through a code of conduct which will be applicable throughout the Group and ensure compliance to this code of conduct;
 - (vi) Succession planning - to ensure that Management has the necessary skills and experience, has and there is a proper and robust succession plan for its Management and Executive Directors in place. Succession planning refers to the process of selecting, training, appointing, monitoring, evaluating and if warranted, replacing any Management to ensure succession;
 - (vii) Management proposals - to review, challenge and decide on Management's proposals for the Group, and monitor its implementation by Management;
 - (viii) Judgmental timing - to ensure that the Board has adequate procedures in place to receive reports from Management periodically and / or on a timely manner, so that the Board has reasonable grounds to make proper judgement on financial matters and business prospects of the Group on an ongoing basis;
 - (ix) Financial and non-financial reporting - to ensure all its directors are able to understand financial statements and form a view of the information presented, and to ensure the integrity of the Group's financial and non-financial reporting. Each director shall read the financial statement of the Group and carefully

consider whether what they disclose is consistent with the director's own knowledge of the Group's affairs;

- (x) Related party management - to establish procedures to assess any related party transactions or conflict of interest situations that may arise within the Company or Group, including any transaction, procedure or course of conduct that raises questions of management integrity;
- (xi) Board Committee - to establish and ensure the effective functioning and monitoring of the Board Committees then to delegate appropriate authority and Terms of Reference ("**TOR**") to such committees established by the Board;
- (xii) Board balance - to strive to achieve an optimum balance and dynamic mix of competent and diverse skillsets amongst the members of the Board;
- (xiii) Governance culture - together with Management, promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour;
- (xiv) Governance of sustainability – together with Management, take responsibility for governance of sustainability in the Group including setting the Group's sustainability strategies, priorities and targets; and
- (xv) Stakeholder communication - to ensure that the Group has in place procedures to enable effective communication with stakeholders.

3.3 The Board will direct and supervise the Management, the business and affairs of the Group including, in particular:-

- (i) Sustainability management - to review and adopt a strategic plan for the long-term value creation and includes strategies on economic, environment and social considerations;
- (ii) Performance management - to establish policies for strengthening the performance of the Group including ensuring that the Management is proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital;
- (iii) Risk management - to identify principal risks, set the risk appetite within which the Board expects the Management to operate and ensure the implementation of appropriate systems to manage the significant financial and non-financial risks and to ensure there is a sound framework for internal controls and risk management;
- (iv) Internal audit - to establish an internal audit function to obtain assurance of regular review and / or appraisal of the effectiveness of the system of internal controls within the Company and Group. The Board should explain in summary the means that exist for obtaining such assurance of regular review and / or appraisal;
- (v) Internal control - to review the adequacy and integrity of the Group's internal control system and management information systems, including systems for complying with applicable laws, regulations, rules, directives and guidelines;

- (vi) Debt repayment capacity - to decide on whatever steps necessary to protect the Company's and Group's financial position and the ability generate cash flow to meet its debts and other obligations when they fall due, and ensuring that such steps are taken; and
- (vii) Law and regulations - to ensure that the operations of the Company are conducted prudently and within the framework of relevant laws and regulations.

3.4 The Board reserves full decision-making powers on the following matters:-

- (i) Conflict of interest issues relating to a substantial shareholder or a Director including approving related party transactions;
- (ii) Material acquisitions and disposition of assets not in the ordinary course of business including significant capital expenditures;
- (iii) Strategic investments, mergers and acquisitions and corporate exercises;
- (iv) Limits of authority;
- (v) Treasury policies;
- (vi) Risk management policies including Anti-Bribery and Anti-Compliance Policy and Procedure;
- (vii) Key human resource issues;
- (viii) Appointment of auditors and review of the financial statements;
- (ix) Financing and borrowing activities;
- (x) Ensuring regulatory compliance; and
- (xi) Reviewing the adequacy and integrity of internal controls.

3.5 A Director shall at all times exercise his powers for a proper purpose and in good faith in the best interest of the Company and shall act honestly and use reasonable care, skill and diligence in the discharge of the duties of his office and shall not make use of any information acquired by virtue of his position to gain directly or indirectly an improper advantage for himself or for any other person or to cause detriment to the Company.

4. BOARD COMMITTEES

4.1 To assist the Board in fulfilling its duties and responsibilities, the Board has established three (3) Board Committees, namely Audit and Risk Management Committee, Nomination Committee and Remuneration Committee, each entrusted with specific tasks and operates within clearly defined TOR approved by the Board. The Chairman of the respective Committees reports to the Board on the outcome of the Committee meetings and such reports or minutes will be included in the Board papers.

- 4.2 The respective Board committees' TOR are available for reference at the Company's website at www.ni-hsin.com. The Board may establish such committee it deems necessary or appropriate to assist in the discharge of its fiduciary duties.
- 4.3 With the exception of certain limited delegations contained in their respective TOR, recommendations of the Committees are to be referred to the Board for approval.

5. THE CHAIRMAN OF THE BOARD (“CHAIRMAN”)

- 5.1 The Chairman of the Board shall be appointed by the Board and the positions of Chairman and Chief Executive Officer/Executive Director shall be held by different individuals.
- 5.2 The responsibilities of the Chairman include, but are not limited to, the following:-
- (a) providing leadership for the Board so that the Board can perform its responsibilities effectively;
 - (b) setting the Board agenda and ensuring that Board members receive complete and accurate information in a timely manner;
 - (c) leading Board meetings and discussions;
 - (d) encouraging active participation and allowing dissenting views to be freely expressed;
 - (e) managing the interface between Board and Management;
 - (f) ensuring appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole;
 - (g) leading the Board in the adoption and implementation of good corporate governance practices in the company; and
 - (h) ensuring that there is regular and effective evaluation of the Board's performance.
- 5.3 The Chairman of the Board shall not be a member of the Board Committees.

6. DUTIES AND RESPONSIBILITIES OF EXECUTIVE DIRECTOR

- 6.1 The Executive Director is the conduit between the Board and the Management in ensuring the success of the Group's governance and management functions.
- 6.2 The Executive Director, in association with the Chairman, is accountable to the Board for the achievement of the Group's mission, goals and objectives and the Executive Director is accountable to the Board for the observance of Management's limitations.
- 6.3 The Executive Director has the executive responsibility for the day-to-day operation of the Group's business.

- 6.4 The Executive Director implements the policies, strategies and decisions adopted by the Board.
- 6.5 All Board authorities conferred on the Management is delegated through the Chief Executive Officer/Managing Director and this will be considered as the Chief Executive Officer/Managing Director's authority and accountability as far as the Board is concerned.
- 6.6 The Executive Director is responsible to the Board for the following:-
- a) executive management of the Group's business covering, inter alia, the development of a strategic plan; an annual operating plan and budget; performance benchmarks to gauge management performance against and the analysis of management reports;
 - b) effectively overseeing the human resources of the Group with respect to key positions in the Group's hierarchy, determination of remuneration as well as terms and conditions of employment for Senior Management and issues pertaining to discipline;
 - c) assuring that the Group's corporate identity, products and services are of high standards and are reflective of the market environment;
 - d) be the official spokesman for the Company and responsible for regulatory, governmental and business relationships;
 - e) coordinating business plans with the business heads, coordinating management issues through the Board, and overseeing divisional function groups and cost containment process in consultation with the Chief Financial Officer and the regional office or head office of the Group;
 - f) regularly reviewing the heads of divisions and departments who are responsible for all functions contributing to the success of the Company;
 - g) assessing business opportunities which are of potential benefit to the Company;
 - h) ensuring the provision of accurate, timely and clear information to Directors;
 - i) maintaining and facilitating a positive working environment and good employee relations;
 - j) promoting a high degree of corporate governance and ethics across the Group;
 - k) assisting the Chairman in organising information necessary for the Board to deal with the agenda and for providing this information to Directors on a timely basis; and
 - l) ensuring the Group's Financial Reports present a true and fair view of the Group's financial condition and operational results and are in accordance with the relevant accounting standards.

7. INDEPENDENT DIRECTORS

- 7.1 Independent Non-Executive Directors are independent of management and free from any business or other relationship that could materially interfere with or could reasonably be perceived to interfere with the exercise of their unfettered and independent judgement.
- 7.2 The Board does not believe it is possible to draft a list of criteria which are appropriate to characterise, in all circumstances, whether a Non-Executive Director is independent. It is the approach and attitude of each Non-Executive Director which is critical and this must be considered in relation to each Director while taking into account all other relevant factors, which may include those set out in Paragraph 1.01 and Practice Note 13 of the Listing Requirements.
- 7.3 Independent Non-Executive Directors are best able to determine if they have an interest or relationship which is likely to impact on their independence. As such, each Independent Non-Executive Director is expected to advise the Chairman immediately if he/she believes they may no longer be independent.
- 7.4 Each Independent Non-Executive Director must immediately disclose to the Chairman (with a copy to the Company Secretary) all information relevant for determining whether the Independent Non-Executive Director is independent, including details of entities in which the Independent Non-Executive Director has a direct or indirect shareholding (or other interest), or is a director.
- 7.5 The Nomination Committee reviews the independence of each Independent Non-Executive Director annually or whenever necessary, in light of information relevant to the assessment as disclosed by each Independent Non-Executive Director to the Board.
- 7.6 The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years. However, upon completion of the nine (9) years, the Director may continue to serve the Board as a Non-Independent Director. In the event the Director is to retain an Independent Director beyond nine (9) years, it should be subjected to the following:-
- a) annual assessment by the Nomination Committee, regarding the independence and contributions; and
 - b) annual shareholders' approval in a general meeting through a two-tier voting process, where the Board provides strong justification on the recommendation.

Tier 1: Only the large shareholder(s) of the Company votes; and

Tier 2: Shareholders other than large shareholder(s) votes.

Large shareholder(s) means a person who –

- a) is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the Company;
- b) is the largest shareholder of voting shares in the Company;
- c) has the power to appoint or cause to be appointed a majority of directors of the Company; or
- d) has the power to make or cause to be made, decisions in respect of the business or administration of the Company, and to give such effect to such decisions or cause them to be given effect to.

The decision for the resolution is determined based on the simple majority of votes of Tier 1 and a simple majority of votes of Tier 2. The resolution is deemed successful if both Tier 1 and Tier 2 votes support the resolution. The resolution is deemed defeated where the vote between the two tiers differs or where Tier 1 voter(s) abstained from voting.

Notwithstanding the above, an Independent Director who has served a cumulative term of twelve (12) years and above must resign or be re-designated as a Non-Independent Director in accordance with the Listing Requirements.

- 7.7 The Board does not consider it necessary to nominate a Senior Independent Non-Executive Director to whom concerns may be conveyed. All members of the Board have demonstrated their commitment to the Board and stakeholders. All issues can be openly discussed during Board meetings.
- 7.8 The role of Independent Directors is to constructively challenge and help develop proposals on strategy include, inter alia:-
- a) to make independent assessment of the information, reports or statements, having regard to the Directors' knowledge, experience and competence, to provide independent view and demonstrate objectivity in reviewing and challenging the Management's proposals at meetings;
 - b) to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to keep abreast of industry issues, market development and trend, and enable them to sustain their active participation in board deliberations; and
 - c) act as a channel of communication between Management, shareholders and other stakeholders, and provide the relevant checks and balances, focusing on shareholders' and other stakeholders' interests and ensuring that high standards of corporate governance are applied.

8. FREQUENCY OF BOARD MEETING

- 8.1 The Board should meet regularly, at least on a quarterly basis. Special Board meetings should be held in addition to the quarterly meetings as and when required. Prior notice of meetings will be given to all who are required to attend the meetings.
- 8.2 Board members are required to attend the Board meetings and attendance of each individual Director in the meetings held in a financial year is required to be disclosed in the Annual Report. Attendance of at least 75% of the Board meetings held in each financial year is required to be achieved by each Director. Where a Director is unable to attend the meetings, such Director shall ensure appropriate steps are taken to obtain leave of absence.
- 8.3 Other senior officers may be invited to attend for particular items within their responsibility. The Board may also invite external parties such as the auditors, solicitors and consultants as and when the need arises.

- 8.4 Additional formal business is dealt with as required, whether by physical, videoconferencing or telephonic meetings, as well other electronic meetings allowed under the laws or the Company's Constitution. All resolutions, attendance, transactions, quorums and votes obtained through electronic means shall be deemed valid and effective unless it contravenes the requirements of relevant statutes and regulations.
- 8.5 All meetings of the Board will be conducted in accordance with the Constitution of the Company and applicable laws.

9. ACCESS TO INFORMATION AND INDEPENDENT ADVICE

- 9.1 The Board and Board Committees must be provided with the information they need to efficiently discharge their responsibilities on timely manner.
- 9.2 The Management must supply the Board and Board Committees with information in a form, timeframe and quality that enables them to effectively discharge their duties. All Directors are to receive copies of Board Papers and agenda items at least five (5) business days in advance of the Board meeting.
- 9.3 Directors are entitled to request and receive such additional information as they consider necessary to support informed decision-making. Any Director has the authority to seek any information he/she requires from any employee of the Group and all employees must comply with such requests.
- 9.4 Any Director may take such independent legal, financial or other advice as they consider necessary at NHG's cost. Any Director seeking independent advice must first discuss the request with the Chairman who will facilitate obtaining such advice and, where appropriate, dissemination of the advice to all Directors.
- 9.5 Full Board minutes of each Board meeting are kept at the registered office of the Company and are available for inspection by any Director during office hours.
- 9.6 The minutes of meetings shall accurately reflect the deliberations and decisions of the Board, including whether any Director abstained from voting or deliberating on particular matter.
- 9.7 All Directors shall have access to the advice and services of the Company Secretary.

10. DUTY TO DISCLOSE INTERESTS

- 10.1 The Constitution stipulates that every Director who may have direct or indirect interest in any contract or proposed contract or arrangement with the Company and/or Group shall immediately declare his/her interest to the Board and shall not participate in deliberations and shall abstain himself/herself from casting his/her votes in any matter arising therefrom.

10.2 Should there be an actual, potential or perceived conflict of interest between the Company and a Director, or an associate of a Director such as a spouse, other family member, or a related company (*as defined under Section 197(1) of the CA*), the Director involved shall make full disclosure and act honestly in the best interest of the Company:-

- a) Director shall immediately inform the Audit and Risk Management Committee in respect of their direct and indirect interests in any businesses or corporations which carry on similar trade as that of the Group; and
- b) Every Director shall comply with the provisions of Sections 219 and 221 of the CA in connection with the disclosure of his shareholding and interests in the Company and his interest in any contract or proposed contract with the Company and in connection with the disclosure, every Director shall state the fact and the nature, character and extent of any office or possession of any property whereby whether directly or indirectly duties or interests might be created in conflict with his duty or interest as a Director of the Company,

And the interested Directors shall abstain from deliberation and voting on the resolutions relating to those matters or transactions.

10.3 An actual, potential or perceived conflict of interest shall not necessarily disqualify an individual Director from the Board provided that full disclosure of the interest has been made in good faith and due honesty.

11. COMPANY SECRETARY

11.1 The appointment and removal of the Company Secretary is a matter for the Board as a whole. The Board recognises the fact that the Company Secretary should be suitably qualified and capable of carrying out the duties required of the post.

11.2 The key role of the Company Secretary is to provide unhindered advice and services for the Directors, as and when the need arises, to enhance the effective functioning of the Board and to ensure regulatory compliance.

11.3 The roles and responsibilities of a Company Secretary include, but are not limited to the following:-

- (a) Manage all Board and committee meeting logistics, attend and record minutes of all Board and committee meetings and facilitate Board communications;
- (b) Advise the Board on its roles and responsibilities;
- (c) Facilitate the orientation of new directors and assist in director training and development;
- (d) Advise the Board on corporate disclosures and compliance with company and securities regulations and Listing Requirements;
- (e) Manage processes pertaining to the annual shareholder meeting;

- (f) Monitor corporate governance developments and assist the Board in applying governance practices to meet the Board's needs and stakeholders' expectations; and
- (g) Serve as a focal point for stakeholders' communication and engagement on corporate governance issues.

12. DEALINGS IN SECURITIES

- 12.1 The Company imposes restrictions on the trading of securities by Directors and principal officers with undisclosed price-sensitive information. All Directors must adhere to the said policy.

13. ORIENTATION AND CONTINUING EDUCATION

- 13.1 New directors will receive an orientation from appropriate executives and staff regarding the business affairs of the Company. Directors are expected to remain abreast of issues and events in the sectors where the Group has an operating interest.
- 13.2 In addition to the Mandatory Accreditation Programme as required by the Bursa Securities, the Directors shall continue to update their knowledge and enhance their skills through appropriate continuing education programmes and life-long learning. This will enable Directors to effectively discharge duties and sustain active participation in the Board deliberations.
- 13.3 The Board assisted by Nomination Committee shall assess the training needs of each Director annually. In special circumstances, valid justifications for non-attendance at any training by Directors for the financial year shall also be disclosed.

14. BOARD ASSESSMENT

- 14.1 The Board, through the Nomination Committee, will conduct an annual self-evaluation and/or peer evaluation on its effectiveness as a whole, each individual Directors and the different Committees established by the Board.
- 14.2 The Nomination Committee is responsible for coordinating and overseeing the annual Board evaluation process in accordance with the charter of that Committee. The Nomination Committee may engage a professional, experienced and independent party to facilitate the Board evaluation, if necessary. When an independent third party is used to carry out Board evaluation, the Board should also disclose the identity of the third party.

15. WHISTLEBLOWING POLICY AND PROCEDURE

- 15.1 To enhance corporate governance practices across the Group, a Whistleblowing Policy and Procedure is adopted which provides Directors, officers, employees and stakeholders of the Group with an avenue to report suspected improprieties such as illegal or unlawful conduct, contravention of the Group's policies and procedures, acts endangering the health or safety of any individual, public or employee, and any act of concealment of improprieties. The aim of this policy is to encourage the reporting of such matters in good faith, with the confidence that the person filing the report, to the extent possible, be protected from reprisal, victimisation, harassment or subsequent discrimination.

16. THE BOARD'S RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

- 16.1 The Board shall maintain an effective communications policy that enables both the Board and Management to communicate effectively with its shareholders, stakeholders and the general public.
- 16.2 It is the role of the Board to ensure that the general meetings of the Company are conducted in an efficient manner and serves as a crucial mechanism in shareholder communications. Key ingredients behind this include the supply of comprehensive and timely information to shareholders and the encouragement of active participation at the general meetings.
- 16.3 The Board will focus its efforts on the following best practices to enhance the effectiveness of the general meeting:-
- (i) ensure that each item of special business included in the notice to be accompanied by a full explanation of the effects of the proposed resolution;
 - (ii) for election/ re-election of Directors, ensures that the notice of meeting state which Directors are standing for election/ re-election with a brief description to include matters such as age, gender, relevant working experience, list of directorships, any conflict of interest as well as a statement from the Board support such election/ re-election of Directors;
 - (iii) ensure that the Chairman provides reasonable time for discussion at the meeting. Where appropriate and if required, the Chairman will also undertake to provide written answer to any significant question which cannot be answered immediately;
 - (iv) conduct a business presentation with a question and answer session, where appropriate and if required;
 - (v) 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 will be made visible to all meeting participants during the meeting itself; and
 - (vi) ensure minutes of general meeting published on Company's website no later than thirty (30) business days after general meeting.

- 16.4 The Executive Directors shall take responsibility for communicating and addressing queries from shareholders, stakeholders, analysts and press at all times. Having said that, the chair of respective Board Committees shall also provide meaningful response to questions addressed to them at general meeting.
- 16.5 The Board acknowledges the need for shareholders to be informed of all material business matters affecting the Group and adopts an open and transparent policy in respect of its relationship with its shareholders and investors.
- 16.6 The Board ensures the timely release of financial results on a quarterly basis to provide shareholders and analysts with an overview of the Group's performance and operations in addition to the various announcements made during the year.
- 16.7 The Group's website, <http://www.ni-hsin.com/>, provides easy access to corporate information pertaining to the Group and its activities and is continuously updated.

17. ANTI-BRIBERY AND ANTI-CORRUPTION PROGRAMME

- 17.1 The Board shall ensure a sustainable anti-bribery and anti-corruption programme be implemented in the Company, which includes compliance with the Anti-Bribery and Corruption Policy and assign adequate resources to implement the anti-bribery and anti-corruption programme.

18. PERIODIC REVIEW

- 18.1 This Charter was first adopted in December 2012 and will be reviewed once every two years or as and when necessary by the Board. The Charter shall be published on the Company's website.
- 18.2 This Charter was reviewed and approved by the Board of Directors on 10 April 2023.