

AFFIN HWANG INVESTMENT BANK BERHAD
197301000792 (14389-U)
(Incorporated in Malaysia)

BOARD CHARTER

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BOARD CHARTER

1.0 INTRODUCTION

The Directors of Affin Hwang Investment Bank Berhad (“the Bank”) regard corporate governance as vitally important to the success of the Company’s business and are unreservedly committed to applying the principles necessary to ensure that the following principles of good governance is practised in all of its business dealings in respect of its shareholder(s) and relevant stakeholders:

- The Board is the focal point of the Bank’s corporate governance system. It is ultimately accountable and responsible for the performance and affairs of the Bank.
- All Board members are expected to act in a professional manner, thereby upholding the core values of integrity and enterprise with due regard to their fiduciary duties and responsibilities.
- All Board members are responsible to the Bank for achieving high level of good governance.
- The Board Charter shall constitute and form an integral part of each Director’s duties and responsibilities.

2.0 OBJECTIVES

The objectives of the Board Charter are to ensure that all Board members acting on behalf of the Bank are aware of their duties and responsibilities as Board members and the various legislations and regulations affecting their conduct and that the principles and practices of good corporate governance are applied in all their dealings in respect, and on behalf of, the Bank.

In pursuit of the ideals in the Board Charter, the intention is to exceed “minimum legal requirements” with due consideration to recognised standards of best practices locally and internationally.

3.0 THE BOARD

3.1 Key Responsibilities

- 3.1.1 The Board is charged with leading and guiding the Bank in an effective and responsible manner. Each director has a legal duty to act in the best interest of the Bank. The directors, collectively and individually, are aware of their responsibilities to shareholder(s) and stakeholders for the manner in which the affairs of the Bank are managed. The Board sets the Bank's values and standards and ensures that its obligations to its shareholder(s) and stakeholders are understood and met.
- 3.1.2 The Board understands that the responsibility for good corporate governance and ethics rests with them and therefore strives to follow the principles and best practices of corporate governance and adopts a "zero tolerance" approach on all forms of corruption, and bribery.
- 3.1.3 The Board observes the highest standard of ethical conduct, integrity and accountability as well as the Anti-Bribery and Corruption Framework which covers the Bank's approach to anti-bribery and anti-corruption. The Board will continue to uphold the said framework.
- 3.1.4 Duties of the Board include establishing the corporate vision and mission, as well as the philosophy of the Bank, setting aims of Management and monitoring the performance of Management.
- 3.1.5 The Board has the overall responsibility for promoting the sustainable growth and financial soundness of the Bank, and for ensuring reasonable standards of fair dealing, without undue influence from any party. This includes a consideration of the long-term implications of the Board's decisions on the Bank and its customers, officers and the general public.

In fulfilling this role, the Board must–

- a) approve the risk appetite (including without limitation, the technology risk appetite which is aligned with the Bank's risk appetite statement), business plans and other initiatives which would, singularly or cumulatively, have a material impact on the Bank's risk profile;
 - (i) oversee the adequacy of the Bank's information technology (IT) and cybersecurity strategic plans covering a period of no less than three (3) years, and periodically review these plans once every three (3) years;
 - (ii) oversee the effective implementation of a sound and robust technology risk management framework (TRMF) and cyber resilience framework (CRF), and periodically review and affirm the TRMF and CRF, at least once every three (3) years to guide the Bank's management of technology risks;

- b) oversee the selection, performance, remuneration and succession plans of the CEO, control function heads and other members of senior management, such that the Board is satisfied with the collective competence of senior management to effectively lead the operations of the Bank;
- c) oversee the implementation of the Bank's governance framework and internal control framework, and periodically review whether these remain appropriate in light of material changes to the size, nature and complexity of the Bank's operations;
- d) promote, together with senior management, a sound corporate culture within the Bank which reinforces ethical, prudent and professional behaviour;
- e) promote sustainability through appropriate environmental, social and governance considerations in the Bank's business strategies
- f) oversee and approve the recovery and resolution as well as business continuity plans for the Bank to restore its financial strength, and maintain or preserve critical operations and critical services when it comes under stress;
- g) promote timely and effective communication between the Bank and Bank Negara Malaysia ("BNM") on matters affecting or that may affect the safety and soundness of the Bank; and
- h) ensure the Bank complies with the various regulatory requirements and guidelines issued by Bank Negara Malaysia ("BNM"), Securities Commission, Bursa Malaysia Securities Berhad and Companies Commission of Malaysia.

3.1.6 The Board is responsible over the Bank's capital management as follows:-

- a) Approving the capital plan as part of budget;
- b) Approving significant capital raising and repayment; and
- c) Reviewing and note quarterly summarised monitoring reports on capital adequacy.

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

- a) Conflicts of interest issues relating to substantial shareholder or a director;
- b) Material acquisitions and disposition of assets not in the ordinary course of business;
- c) Investments in capital projects;
- d) Authority levels;

3.1.8 The Board regularly reviews the anti-corruption compliance activities of the Bank.

3.2 Board Meetings

3.2.1 A director must devote sufficient time to prepare for and attend Board meetings, and maintain a sound understanding of the business of the Bank as well as relevant market and regulatory developments. This must include a commitment to on-going education.

3.2.2 A director must attend at least 75% of the Board meetings held in each financial year, and must not appoint another person to attend or participate in a Board meeting on his behalf.

3.2.3 The quorum for Board meetings shall be at least half of the Board members.

3.2.4 The Board must ensure that clear and accurate minutes of Board meetings are maintained to record the decisions of the Board, including the key deliberations, rationale for each decision made, and any significant concerns or dissenting views. The minutes must indicate whether any director abstained from voting or excused himself from deliberating on a particular matter.

3.2.5 The Bank shall provide the Board with access to advice from third party experts on any matter deliberated by the Board as and when required, and the cost of such advice shall be borne by the Bank.

3.2.6 The views of Management are represented at meetings of the Board by the presence of the Chief Executive Officer as well as senior executives when required.

3.3 Board Composition

3.3.1 The Board and the Board committees must be of a size that promotes effective deliberation, encourages the active participation of all directors and allows the work of the various Board committees to be discharged without giving rise to an over-extension of directors that are required to serve on multiple Board committees.

3.3.2 The Board must consist of qualified individuals with diverse experiences, backgrounds and perspectives. The composition and size of the Board is such that it facilitates the making of informed and critical decisions.

3.3.3 The Board must not have more than one executive director, unless BNM approves otherwise in writing.

3.4 Independent Directors

3.4.1 The Board must have a majority of independent directors at all times.

3.4.2 The Board must determine whether an individual to be appointed as an independent director is independent in character and judgement, and free from associations or circumstances that may impair the exercise of his independent judgement.

An individual must not be considered to be an independent director if he or any person linked to him–

- (a) has been an executive in the last two (2) years;
- (b) is a substantial shareholder of the Bank or any of its affiliates; or
- (c) has had a *significant business or other contractual relationship with the Bank or any of its affiliates within the last two (2) years.

*A 'significant business' or 'other contractual relationship' is when a director,

- engage in any transaction, or have been engaged in any transaction within the last two (2) years with the Bank, whether with other persons or through a firm or a company of which he is a partner, director or major shareholder, the value of which exceeds RM1 million. However, "transactions" as stated above shall exclude the following transactions:
 - for personal use of the said director;
 - for personal investment of the said director except for the purpose of carrying on a trade or business; or
 - normal banking transactions other than loans and advances

provided that such transactions are on normal commercial terms.

However, a director will still be deemed independent if the company in which he is also a director, has loans with the Bank, provided he is

- i) not a substantial shareholder of the company; or
- ii) not a guarantor of the loan and
- iii) not involved in the deliberation and decision-making process;

3.4.3 The independent directors provide independent judgement, experience and objectivity without being subordinated to operational considerations.

3.4.4 The independent directors help to ensure that the interest of all shareholder(s), and not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board.

- 3.4.5 The views of the independent directors should carry significant weight in the Board's decision-making process.
- 3.4.6 In order to ensure the independence of the Board as well as to encourage fresh views and ideas at the Board, the term limit for an independent director is nine (9) years.
- 3.4.7 An independent director must immediately disclose to the Board any change in his circumstances that may affect his status as an independent director. In such a case, the Board must review his designation as an independent director and notify BNM in writing of its decision to affirm or change his designation.

3.5 Criteria and Skill Sets for Board Membership

- 3.5.1 The Board collectively should possess adequate knowledge, skills, expertise and experience to understand the Company's business, comply with prevailing requirements and stage of development and goals of the Bank.
- 3.5.2 To ensure that the Board has the required mix of skills and experience to discharge its duties, the members of the Board should be from diverse backgrounds, with knowledge and experience in different pertinent disciplines which may include finance, accounting, banking, legal, marketing, business management/administration, information technology, investment management and risk management.
- 3.5.3 The following are the recommended personal qualities and core competencies required from a director:-
 - a) Integrity, Commitment and Ethics;
 - Behaving honestly in all dealings.
 - Not involved in any form of bribery or corruption.
 - b) Governance;
 - The ability to ensure the Bank performance and conformance.
 - c) Strategic Perspective;
 - The ability to understand the potential impact on the Company's trends, opportunities, issues and events, manage priorities, and develop the optimum response consistent with the strategic capabilities of the business.
 - d) Business Acumen;
 - The ability to contribute to the Bank to create significant value.
 - e) Judgement and Decision Making; e)
 - The ability to identify the principal issues and use experience and sound judgement to make appropriate decisions.
 - f) Teamwork;
 - The ability to interact with fellow Board directors and senior management as well as participates in the activities of the Board.

- g) Communication; and
 - The ability to express ideas and opinions in a way that ensures the message gets across effectively.
- h) Leadership.
 - The ability to inspire commitment to the Bank's vision and values.

3.5.4 As a basis, the following "fit and proper" criteria shall be taken into consideration:-

- a) his/her probity, diligence, competence and soundness of judgement;
- b) his/her reputation, character, integrity (including financial integrity) and honesty;
- c) his/her history of office(s) involving fraud/dishonesty/violence;
- d) whether he/she has been engaged in deceitful/oppressive/improper business practices or any practices which would discredit him/her;
- e) whether he/she has been engaged/associated/had conducted himself/herself in a manner which may cast doubt on his/her fitness, competence and soundness of judgement;
- f) whether he/she has contravened any provision made by or under any written law appearing to BNM or other relevant regulatory bodies designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice; and
- g) whether he/she has been declared a bankrupt.

3.6 Board Appointments and Removals

- 3.6.1 The appointment of a new director is a matter for consideration and decision by the full Board upon appropriate recommendation from the Group Board Nomination & Remuneration Committee ("GBNRC").
- 3.6.2 New directors are expected to have such expertise so as to qualify them to make positive contribution to the Board performance of its duties and to give sufficient time and attention to the affairs of the Bank.
- 3.6.3 The Company Secretary has the responsibility of ensuring that relevant procedures relating to the appointments of new directors are properly executed.

- 3.6.4 Upon the appointment of a new director, the Company Secretary advises the director of his/her principal duties and responsibilities and explains the restrictions to which he or she is subject to in relation to price-sensitive information and dealings in the Company's securities, as well as the requirements of Bursa Malaysia Securities Berhad's Rules in relation to director's trading. Thereafter, all directors are provided with appropriate briefings on the Bank's affairs and up-to-date corporate governance materials published by the relevant bodies.
- 3.6.5 The Company arranges induction programme for newly appointed directors. The induction programme aims at communicating to the newly appointed directors, the Bank's vision and mission, its philosophy and nature of business, current issues within the Bank, the corporate strategy and the expectations of the Bank concerning input from directors.
- 3.6.6 The Bank arranges educational/training programmes to update the Board in relation to new developments pertaining to business laws and regulations, changing commercial risks, technology, technology risks and cybersecurity which may affect the Board and/or the Bank.
- 3.6.7 A director must fulfil the following minimum requirements at the time of his appointment and on a continuing basis:-
- i) A director must not be disqualified under section 59(1) of the Financial Services Act 2013.
 - ii) A director must have been assessed by the NRC to have complied with the fit and proper requirements.
 - iii) A director must not have competing time commitments that impair his ability to discharge his duties effectively. The directorships held by any Board member at any one time shall not exceed five (5) in listed companies.
 - iv) A director must not be an active politician.
 - v) Where a firm has been appointed as the external auditor of the Bank, any of its officers directly involved in the engagement and any partner of the firm must not serve or be appointed as a director of the Bank until at least two years after—
 - (a) he ceases to be an officer or partner of that firm; or
 - (b) the firm last served as an auditor of the Bank.

3.6.8 i) Process for Appointment of directors

Candidates for the proposed appointment as director/s are first identified and nominated by the Board to the GBNRC. The GBNRC deliberates and recommends the proposed appointment of the candidate as director to the Board for approval, subject to BNM's approval.

ii) Process for Removal of directors

Through the annual review of directors, ineffective directors can be identified.

Errant/unsuitable directors can be addressed by GBNRC at its meetings or as and when the GBNRC becomes aware of such circumstances.

3.6.9 Each director must be assessed against the minimum requirements set out in paragraph 3.6.7 at least annually, and as and when the Board becomes aware of information that may materially compromise the director's fitness and propriety, or any circumstance that suggests that the director is ineffective, errant or otherwise unsuited to carry out his responsibilities. A director must immediately disclose to the Board any circumstance that may affect his ability to meet the minimum requirements.

3.6.10 The Board must ensure that each director acknowledges the terms of his appointment, which must include–

- (a) the roles and responsibilities of the director, including those arising from his membership in any Board committee;
- (b) the tenure of the appointment; and
- (c) provisions for the director's removal in the event that he no longer meets the minimum requirements set out in paragraph 3.6.7 or has been assessed to be ineffective, errant or otherwise unsuited to carry out his responsibilities.

3.6.11 Unless the written approval of BNM has been obtained a director whose tenure has expired and is being proposed for reappointment must immediately cease to hold office and act in such capacity, including by participating in Board meetings or holding himself out as a director.

3.7 Re-Election

- 3.7.1 All directors are subject to retirement by rotation at the Annual General Meeting of the Bank pursuant to the Constitution of the Bank.
- 3.7.2 For directors whose term of office as approved by BNM has not expired at the time of the Annual General Meeting, but are required to retire either by rotation are eligible for re-election, the Bank is not required to obtain approval from BNM to reappoint them at the Annual General Meeting.

3.8 Supply of Information

- 3.8.1 The Bank aims to provide all directors with timely and quality information and in a form and manner appropriate for them to discharge their duties effectively.
- 3.8.2 Management is responsible for providing the Board with the required information in an appropriate and timely manner. The Chairman, assisted by the Company Secretary, assesses the type of information required to be provided to the Board. If the information provided by Management is insufficient, the Board will make further enquiries where necessary to which the persons responsible will respond as fully and as promptly as possible.
- 3.8.3 A full agenda and comprehensive Board papers are circulated to all directors well in advance of each Board meeting.
- 3.8.4 Amongst others, the Board papers include the following:
 - a) Periodic/Quarterly financial report;
 - b) Minutes of meetings of all Committees of the Board;
 - c) A current review of the operations of the Bank;
 - d) Reports on related party transactions and recurrent related party transactions;
 - e) Directors' share-dealings, including public shareholding spread;
 - f) Annual Business Plans;
 - g) Annual Budget; and
 - h) Notification of Director's Resolution in Writing.
- 3.8.5 Full Board minutes of each Board meeting are kept by the Bank Secretary and are available for inspection by any director during office hours.

4.0 CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Bank aims to ensure balance of power and authority between the Chairman and the Chief Executive Officer with a clear division of responsibility between the running of the Board and the Bank's business respectively. The positions of Chairman and the Chief Executive Officer are separated and clearly defined.

4.1 Chairman

4.1.1 The Chairman of the Board must not be an executive, and must not have served as a CEO of the Bank in the past five (5) years.

4.1.2 The Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The Chairman is responsible for:-

- a) leading the Board in setting the values and standards of the Bank;
- b) maintaining a relationship of trust with and between Executive and Non-Executive directors;
- c) ensuring the provision of accurate, timely and clear information to directors;
- d) ensuring appropriate procedures are in place to govern the Board's operation;
- e) ensuring decisions are taken on a sound and well-informed basis, including by ensuring that all strategic and critical issues are considered by the Board, and that directors receive the relevant information on a timely basis;
- f) encouraging healthy discussion and ensure that dissenting views can be freely expressed and discussed; and
- g) leading efforts to address the Board's developmental needs.
- h) ensuring effective communication with shareholder(s) and relevant stakeholders;

4.1.3 The Chairman, in consultation with the Chief Executive Officer and the Company Secretary, sets the agenda for Board meetings and ensures that all relevant issues are on the agenda.

4.1.4 The Chairman is responsible for managing the business of the Board to ensure that:

- All directors are properly briefed on issues arising at Board meetings.
- Sufficient time is allowed for the discussion of complex or contentious issues and, where appropriate, arranging for informal meetings beforehand to enable thorough preparation for Board discussion.
- The issues discussed are forward looking and concentrates on strategy.

4.1.5 The Chairman ensures that every Board resolution is put to vote to ensure the will of the majority prevails.

4.1.6 The Chairman ensures that Management looks beyond their executive functions and accept their full share of responsibilities on governance.

4.2 Chief Executive Officer

4.2.1 The Chief Executive Officer bears primary responsibility over the day-to-day management of the Bank.

4.2.2 The Chief Executive Officer is the conduit between the Board and the Management in ensuring the success of the Bank's governance and management functions.

4.2.3 The Chief Executive Officer implements the policies, strategies and decisions adopted by the Board.

4.2.4 All Board authorities conferred on the Management is delegated through the Chief Executive Officer and this will be considered as the Chief Executive Officer's authority and accountability as far as the Board is concerned.

5.0 BOARD COMMITTEES

The Board has established the following Board Committees with specific terms of reference:

- Board Audit Committee (Appendix A)
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- Board Risk Management Committee (Appendix B)
- Board Credit Review Committee (Appendix C)

The Board may establish additional Board committees with specific terms of reference to assist the Board in fulfilling its corporate governance and oversight responsibilities.

The Board remains fully accountable for any authority delegated to the Board committees.

6.0 BOARD EVALUATIONS, DEVELOPMENT AND SUCCESSION PLANS

- 6.1 The Board must carry out annual Board evaluations to objectively assess the performance and effectiveness of the Board, Board committees and individual directors. This is to enable the Board to identify areas for professional development and process improvements, having regard to the changing needs of the Bank.
- 6.2 The Board must dedicate sufficient resources toward the on-going development of its directors and have in place development plans for directors and regularly updating such plans to ensure that each director possesses the knowledge and skills necessary to fulfil his responsibilities.
- 6.3 The Board must establish and regularly review succession plans for the Board to promote Board renewal and address any vacancies.

7.0 CONFLICTS OF INTEREST

- 7.1 The directors must conduct their business with the highest level of ethical values. Conflict of interest situation call into question the ability of the person involved in the conflict to act objectively in the best interest of the Bank.
- 7.2 A director is required to declare the nature of his interest in contract, proposed contacts, property, offices etc. with the Bank at a Board meeting as soon as practicable after the relevant facts have come to the director's knowledge.
- 7.3 An existing or proposed transaction or arrangement will be considered "material" unless the director or any person linked to him cannot reasonably be expected to derive a benefit or suffer a detriment from the transaction or arrangement in a way that will place the director in a position of conflict.

A director is required to disclose to the Board the nature and extent of his interest in a material transaction or material arrangement. If such material transaction or material arrangement is being deliberated during a Board meeting, the director is to be absent from the meeting during such deliberations.

- 7.4 An interested director must make the disclosure by way of a written notice to all members of the Board and the Company Secretary–
 - (i) as soon as practicable after being aware of his interest in the material transaction or arrangement; and
 - (ii) if the material transaction or arrangement is being deliberated at a Board meeting, before the commencement of that deliberation.
- 7.5 Internal Policies and Procedures are in place to address potential conflicts of interest situations with guidance such as Guidelines on Credit Transactions and Exposure with Connected Parties and Related Party Transaction Policies.
- 7.6 A personnel from Company Secretarial Office will be responsible for maintaining updated records on each director's conflicts of interest.

- 7.7 Non-compliance will be raised in GBNRC for appropriate recommendation to Board for deliberation and decision. Non-compliance must be alerted to the Chief Compliance Officer.

8.0 REMUNERATION POLICY/SYSTEM

- 8.1 The remuneration policy of the Bank must be approved by the Board, and be subject to periodic Board review, including when material changes are made to the policy.
- 8.2 The overall remuneration system for the Bank must–
- (a) be subject to the Board's active oversight to ensure that the system operates as intended;
 - (b) be in line with the business and risk strategies, corporate values and long-term interests of the Bank;
 - (c) promote prudent risk-taking behaviour and encourage individuals to act in the interests of the Bank as a whole, taking into account the interests of its customers; and
 - (d) be designed and implemented with input from the control functions and the Board Risk Management Committee to ensure that risk exposures and risk outcomes are adequately considered.

9.0 COMPANY SECRETARY

- 9.1 The Board appoints the Company Secretary, who plays an important role, and ensures that the Company Secretary fulfils the functions for which he/she has been appointed.
- 9.2 The Company Secretary is responsible for supporting the effective functioning of the Board. In discharging this role, the Company Secretary provides counsel to the Board on governance matters and facilitates effective information flows between the Board, the Board committees and senior management.
- 9.3 The Company Secretary shall keep confidential the affairs of the Bank and its officers at all times. Accordingly, where the Company Secretary also serves as Company Secretary for the Bank's affiliates, he/she shall not disclose the affairs of the Bank or its officers to the affiliates except with the knowledge and consent of the Bank.
- 9.4 The Company Secretary must not have competing time commitments that may impair his/her ability to discharge his duties effectively. Unless BNM approves otherwise in writing, the Company Secretary must devote the whole of his professional time to the affairs of the Bank and its affiliates.
- 9.5 The appointment and removal of the Company Secretary must be approved by the Board.
- 9.6 The Board members have unlimited access to the professional advice and services of the Company Secretary.

10.0 RESPONSIBILITIES AS A SUBSIDIARY

The Bank must discharge its own legal and governance responsibilities as a separate entity, even if it is a subsidiary of another financial institution or of a foreign entity which is subject to prudential regulation. Accordingly, the Board and senior management of the Bank must validate that the objectives, strategies, plans, governance framework and other policies set at the group level are fully consistent with the regulatory obligations and the prudential management of the Bank and ensure that entity-specific risks are adequately addressed in the implementation of group-wide policies.

11.0 CORPORATE GOVERNANCE DISCLOSURES

11.1 The Bank must disclose the following information on its corporate governance policies and practices: -

- a) Composition
- b) Function and conduct
- c) Overview of Internal control framework
- d) Qualitative and quantitative disclosures of remuneration

11.2 The Board must ensure that the corporate governance disclosures are accurate, clear and presented in a manner that is easily understood by its shareholders, customers and other relevant stakeholders.

12.0 FINANCIAL REPORTING

12.1 Transparency

12.1.1 The Bank aims to present a clear and balanced assessment of the Bank's financial position and future prospects that extend to the interim and price-sensitive information and other relevant reports submitted to regulators.

12.1.2 The directors ensure that the financial statements are prepared so as to give a true and fair view of the current financial status of the Bank in accordance with the approved accounting standards.

12.1.3 The Auditors' Report shall contain a statement from the Auditors explaining their responsibility in forming an independent opinion, based on their audit of the financial statements.

12.2 Auditors

- 12.2.1 The Board has a formal and transparent arrangement for considering how financial reporting and internal control principles will be applied and for maintaining an appropriate relationship with the Auditors through its Board Audit Committee.
- 12.2.2 The Board Audit Committee also keeps under review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the Auditors. The Bank ensures that the Auditors do not supply a substantial volume of non-audit services to the Bank.
- 12.2.3 Appointment of the Auditors is subject to approval of the shareholder(s) at general meetings. The Auditors have to retire during the Annual General Meeting every year and be re-appointed by shareholder(s) for the ensuing year.

13.0 SHAREHOLDER COMMUNICATION

- 13.1 The Board acknowledges the need for shareholder(s) to be informed of all material business matters affecting the Bank and as such adopts an open and transparent policy in respect of its relationship with its shareholder(s) and investors.
- 13.2 The Board ensures the timely release of financial results on a quarterly basis to provide shareholder(s) with an overview of the Bank's performance and operations.
- 13.3 The Bank's website provides easy access to corporate information pertaining to the Bank and its activities and is continuously updated.

14.0 RELATIONSHIP WITH OTHER STAKEHOLDERS

In the course of pursuing the vision and mission of the Bank, the Board recognises that no Bank can exist by maximising shareholder(s) value alone. In this regard, the needs and interests of other stakeholders are also taken into consideration.

14.1 Employees

- 14.1.1 The Board acknowledges that the employees are invaluable assets of the Bank and play a vital role in achieving the vision and mission of the Bank.
- 14.1.2 The Bank adopts comprehensive and documented policies and procedures with respect to the following:
 - a) Occupational safety and health with the objective of providing a safe and healthy working environment for all employees; and
 - b) Industrial relations with the objective of managing employees' welfare and well-being in the work place.

14.2 Environment

14.2.1 The Board acknowledges the need to safeguard and minimise the impact to the environment in the course of achieving the Company's vision and mission.

14.2.2 The Bank supports initiatives on environmental issues.

14.3 Social Responsibilities

14.3.1 The Board acknowledges that the Bank should play a vital role in contributing towards the welfare of the community in which it operates.

14.3.2 The Bank supports charitable causes and initiatives on community development projects.

15.0 APPLICATION

15.1 The principles set out in this Board Charter are:

- a) kept under review and updated as practices on Corporate Governance develop and further guidelines on Corporate Governance are issued by the relevant regulatory authorities;
- b) applied in practice having regard to their spirit and general principles rather than to the latter alone; and
- c) summarised in the Annual Report/audited financial statements as part of a narrative statement by the Directors on Corporate Governance.

15.2 The Board endeavours to comply at all times with the principles and practices set out in this Board Charter.

16.0 LEGISLATIONS AND AMENDMENTS

In this Board Charter, any reference to any provision of legislations, guidelines, circulars or directives shall include all amendments, modifications, consolidations or replacements as may be issued from time to time.