

# OLYMPIA INDUSTRIES BERHAD

(Company No. 63026-U)

## BOARD CHARTER

### 1. PREAMBLE

The Directors of Olympia Industries Berhad ("Board") 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 good governance is practised in all of its business dealings in respect of its shareholders and the relevant stakeholders:

- 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 for the Company in achieving the highest level of business conduct.
- This Board Charter shall constitute, and form, an integral part of each Director's terms of appointment.
- The Board is the focal point of the Company's corporate governance system. It is ultimately accountable and responsible for the performance and affairs of the Company.

In emerging marketplace around the globe, good corporate governance can provide companies with competitive edge.

### 2. PURPOSE

The purpose of this Board Charter is to regulate how business is to be conducted by the Board in accordance with the principles of good corporate governance. The Board Charter sets out the specific responsibilities to be discharged by the Board members collectively, and the individual roles expected from them.

### 3. OBJECTIVES

The objectives of this Board Charter are to ensure that all Board members, acting, for and 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 to ensure that the principles of good corporate governance are applied in all their dealings in respect of and for and on behalf of the Company.

In pursuit of the ideals set out in this Board Charter, the intention, namely is not only to meet but to exceed "minimum requirements" with due consideration being given to recognised standards of best practices, both locally and internationally.

## 4. THE BOARD

### 4.1 Board Membership

#### 4.1.1 Appointment of Directors

Procedures for appointments to the Board are a vital process as it determines the composition and quality of the Board's capacity and competencies. As such, a formal and transparent procedure must be established for the appointment of new Directors to the Board.

The Nomination Committee is responsible for proposing and recommending potential new Directors taking into account the current and future needs of the Company.

The Board shall define an appropriate division of duties and responsibilities on the Board, identifying key roles and performance standards for Board members and ensure that Board members clearly understand these functions.

The Board is willing and allows members of Senior Management to be appointed to the Board. However, the Board believes that Senior Management should understand that Board membership is not necessary or be a pre-requisite to any higher management position in the Company.

Qualifications for membership of the Board include:

- appropriate knowledge, understanding and experience of the conduct of the business, as well as the laws, customs and values that govern the activities of the organisation;
- ability to make informed business decisions and recommendations;
- entrepreneurial talent for contributing to the creation of shareholder value;
- ability to ask sensible questions;
- high ethical standards and professional approach to duties as well as sound practical sense;
- ability to see the wider picture and perspective, with some benefits of international experience;
- integrity in personal and business dealings; and
- proactive and total commitment to furthering the interest of the Company's shareholders and to achieve the Company's goals.

Key competencies required for Non-Executive Directors:

- to contribute an independent view to matters under consideration;
- ability to add value to Board deliberations;
- to contribute to the breadth and depth of experience of the Board;
- ability to clearly communicate;
- ability to demonstrate a wide and unfettered perspective on issues and bring to the Board, integrity and a strong sense of ethics;
- organisational and strategic awareness and an appropriate level of financial literacy;
- knowledge on the responsibilities of a Director;
- ability to constructively collaborate as part of a team contributing towards the successful performance of the Company; and
- possess appropriate and relevant industry-specific knowledge and experience.

#### 4.1.2 Size of the Board

The size of the Board is dictated by the Company's Constitution, which currently permits a maximum of 11 Directors to be appointed to the Board.

#### 4.1.3 Time period of office

Generally, the Board members have no fixed term of appointment. Subject to the Company's Constitution, at each Annual General Meeting, one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to one-third, shall retire from office. A Director retiring at a meeting shall retain office until the close of the meeting, whether adjourned or not.

New Board members will only hold office until the next annual general meeting, and will then be eligible for re-election.

All Board members are subject to retirement by rotation and re-election by the shareholders at least once in every three (3) years in accordance with the Company's Constitution.

As the capacity, energy and enthusiasm of a Director is not necessarily link to age, it is deemed not appropriate to prescribe age limits for the retirement of Directors.

The Directors believe in having a healthy mix of age and experience and therefore do not prescribe a minimum or maximum age limit for its Board members.

There is no limit imposed on the length of service of the Independent Directors since the independence of mind of the Independent Directors coupled with their skills, experience, professionalism, integrity including core competencies in exercising their objectivity and independent judgement to discharge their responsibilities in good faith in the best of the Company and their duty to vigilantly safeguard the interests of the minority shareholders are of utmost importance. These attributes are more critical in ascertaining the function and effectiveness of the Independent Directors than the number of years they have served on the Board. The Board will nevertheless, justify and seek shareholders' approval if it retains an Independent Director who has served for more than nine (9) years in accordance with the Practices set-out in the Malaysian Code on Corporate Governance issued on 26 April 2017 ("MCCG").

While the Board allows its Directors to accept appointments to other boards, this must first be discussed with the Chairman and the Group Managing Director and will be considered to the extent that it is not in conflict with the Company's business and interest.

#### 4.1.4 Composition of the Board

There must be a balance in the Board between Independent Directors, representation from Management and representation from major shareholders. In the MCCG, at least half of the Board must be independent. However, significant shareholders should also be adequately represented – usually in proportion to the size of their investment – via Nominee Directors.

The Company has a unitary Board, currently consisting of seven members in total, four of whom are Independent Non-Executive Directors and thus, achieving the desired level of objectivity and independence in Board deliberations and decision-making.

The Group Managing Director and Executive Director are, as employees, involved in the day-to-day management of the Company.

#### 4.1.5 Non-Executive Director

A Non-Executive Director is considered an individual who:

- has no direct or indirect pecuniary interest in the Company other than his/her Director's emoluments and his/her "permitted" shareholdings in the Company;
- is not an employee of the Company or affiliated with it in any other way and is not involved in the day-to-day running of the Company's business; or
- is not an employee of the Company but standing as a nominee for a substantial shareholder.

#### 4.1.6 Independent Director

An Independent Non-Executive Director is considered an individual who:

- is not an Executive Director of the Company or any related corporation of the Company;
- has not been within the last two years and is not an officer (except as a Non-Executive Director) of the Company or any related corporation of the Company. For this purpose, "officer" shall have the meaning given in Section 2 of the Companies Act, 2016;
- is not a major shareholder of the Company or any related corporation of the Company;
- is not a family member of any Executive Director, officer or major shareholder of the Company. For this purpose, "family member" means spouse, parent, brother, sister, child (including adopted or step child) and spouse of his child, brother or sister;
- is not acting as a nominee or representative of any Executive Director or major shareholder of the Company or any related corporation of the Company;
- has not been engaged as a professional adviser by the Company under such circumstances as prescribed by Bursa Malaysia Securities Berhad ("Bursa Securities") either personally or through a firm or company of which he is a partner, director (except as an Independent Director) or major shareholder, as the case may be; or

- has not been engaged in any transaction with the Company under such circumstances as prescribed by Bursa Securities or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of the Company) which has been engaged in any transaction with the Company under such circumstances as prescribed by Bursa Securities.

The above guidelines must be applied with common sense and the Board must give effect to the spirit, intention and purpose of the above definition and criteria. Directors should be able to determine if they have an interest or relationship which is likely to have impact on their independence.

As such, Directors are expected to advise the Chairman immediately if they believe that they may no longer be independent. Should the Chairman or any other Director has any concern about the independence of a Director, he/she must immediately raise the issue with that Director and, if the issue is not resolved, with the Board.

#### 4.1.7 Induction of new Directors

On appointment, Non-Executive Directors will have the benefit of an induction programme aimed at deepening their understanding of the Company and the business environment and markets in which the Company operates. This includes meetings with Senior Management and visits to the Company's facilities. The induction programme will entail the following:

- knowledge of the Company (ownership power, rules, regulations and company law, Board structure, membership and processes);
- knowledge of the business (business processes, corporate strategies, organisation, management and people);
- knowledge of the financials (annual audited financial statements, Directors' Reports, trends of the key financial ratios and financial performance of the business); and
- expectations on appointment (discussions with the Group Managing Director with regards to the role, reason for being nominated, potential contributions, particular knowledge, etc.).

All Board members are expected to keep themselves abreast of changes and trends in the business and in the Company's environment and markets, which shall include changes and trends in the economic, political, social and legal climate generally.

#### 4.1.8 Succession Planning

The Board, as a whole, shall be responsible, for selecting its own members and in recommending them for election or re-election by the Company's shareholders.

The Board has delegated the screening process involved to the Nomination Committee.

The Group Managing Director shall be responsible for setting, the strategic direction and monitoring the implementation of Executive management development programmes and succession planning. Board continuity, subject to performance and eligibility for re-election, is imperative.

## **4.2. Role of the Board**

### **4.2.1 Duties and Responsibilities**

The Board's primary responsibilities, based on a predetermined assessment of materiality, include giving strategic direction to the Company, identifying key risk areas and key performance indicators of the Company's business, monitoring investment decisions, considering significant financial matters, and reviewing the performance of executive management against business plans, budgets and industry standards.

The Board is explicitly responsible for the stewardship of the Company and in discharging its obligations. In this respect, the Board assumes responsibility in the following areas:

- retain full and effective control over the Company, and monitor Management in implementing the Board's plans and strategies;
- ensure that a comprehensive system of policies and procedures is operative;
- identify and monitor non-financial aspects relevant to the business;
- ensure ethical behaviour and compliance with the relevant laws and regulations, audit and accounting principles, and the Company's own governing documents and codes of conduct;
- strive to act above and beyond the minimum requirements and benchmark performance against international best practices and not only to comply in practice, but be seen to comply;
- define the levels of materiality, reserving specific powers to the Board and delegating other matters with the necessary written authority to the Management of the Company and instituting effective mechanisms that ensure the Board's responsibility for Management's performance of its functions;
- act responsibly towards the Company's shareholders and stakeholders; and
- be aware of, and commit to, the underlying principles of good corporate governance and ensure that compliance with corporate governance principles is reviewed regularly.

Having regard to its role, the Board is concerned with the key elements of the governance processes underpinning the operation of the Company, with particular attention to the following:

- review the strategic direction of the Company and adopt business plans proposed by the Management of the Company for its achievement thereof;
- approve specific financial and non-financial objectives and policies proposed by the Management of the Company;
- review the processes for the identification and management of business risks and processes for compliance with key regulatory and legal areas;
- delegate authority for capital expenditure and review investment, capital and funding proposals which are reserved for the Board's approval;
- review succession planning for the Management team and endorse senior executive appointments, organisational changes and high level remuneration issues;
- provide oversight of performance against targets and objectives; and
- provide oversight of reporting to the Company's shareholders on the direction, governance and performance of the Company as well as other processes that require reporting and other disclosure requirements.

The day-to-day management of the Company will be in the hands of the Group Managing Director and the Management of the Company.

#### 4.2.2 Senior Independent Non-Executive Director

The Board appoints a Senior Independent Non-Executive Director to act as:

- the point of contact, whereby any concerns by shareholders or other stakeholders may be conveyed.
- a sounding board for the Chairman and provide support for the Chairman in the delivery of his objectives; and
- an intermediary for other Directors when necessary.

#### 4.2.3 Matters reserved for the Board

The following matters shall be reserved for decision by the Board, supported by any recommendation as may be made from time to time by the Board Committees (as appropriate):

- a. Financial:
  - the adoption of any significant change or departure in the accounting policies and practices of the Company and its subsidiaries ("Group");
  - the raising of incremental borrowing facilities involving substantial amounts;

- the approval of the strategy, business plans and annual budgets and of any subsequent material changes in strategic direction or material deviations in business plans;
- the approval of the annual financial statements and interim reports, the valuation of unlisted investments, the declaration of dividends and the forfeiture of unclaimed dividends; and
- the recommendation to shareholders of any increase, reduction or alteration to the share capital of the Company and the allotment, issue or other disposal of shares of the Company (except for shares allotted under any employee share option scheme).

b. Statutory and administrative

- recommending amendments to the Constitution of the Company;
- the appointment, removal or replacement of the external auditors of the Company;
- the frequency of meetings of the Board;
- the convening of general meetings of shareholders of the Company;
- the formulation of recommended policies in relation to industrial relations;
- the prosecution, defence or settlement of legal or arbitration proceedings where material and except in the ordinary course of business;
- the appointment, removal or replacement of the Company Secretaries;
- the variation of the rights attaching to shares where such powers are vested in the Board; and
- the formulation and amendment of the Company's Code of Conduct.

c. Regulatory

- The approval of the terms and conditions of the Company's rights issues, public offers, capital issues or issues of convertible securities including shares or convertible securities issued for acquisitions;
- the approval and authority to issue circulars to the shareholders of the Company;
- the approval of and authority to issue prospectuses, listing particulars, rights offers or takeover or merger documents;
- recommending to the shareholders that they approve any ordinary or special resolutions in respect of the Company;



- recommending that the shareholders take a particular course of action proposed by the Board; and
- any decision to list the Company's shares on any stock exchange or to terminate any such listing.

d. Manpower

- appointments to and removals from the Board including the appointment of the Chairman, Group Managing Director, Executive Directors and Non-Executive Directors and the approval on the nomination of alternate directors (if any) as recommended by the Nomination Committee;
- the appointment of, terms of reference and changes in the composition of the Board Committees as are established from time to time;
- any increase of Board members' fees as recommended by the Remuneration Committee and endorsed by the Board, which shall ultimately be approved by the shareholders of the Company in a general meeting;
- to recommend any employee share option scheme, the rules applicable to any such scheme and any amendments to such rules for submission to the shareholders of the Company for approval;
- the formulation of recommended policies in relation to equal opportunity employment, human capital development, environment, health and safety; and
- constituting part of this Board Charter is a "general enabling resolution" which deals with the authority of certain Directors and officials to negotiate and finalise the terms of contracts, for and on behalf of the Company.

### **4.3 Board Leadership**

There are two key tasks in Board leadership namely, the running of the Board and the executive responsibility for the running of the Company's business. There should be a clear division of responsibilities in the Board to ensure a balance of power and authority, such that no one individual has unfettered powers of decision-making.

The Board should provide leadership and vision to the Company in a way that will not only enhance shareholder value but also ensure long-term sustainable development and growth of the Company.

The roles of the Chairman and the Group Managing Director are distinct and separate; with responsibilities clearly divided between them.

The boundaries between the Chairman and the Group Managing Director should be clearly defined and reviewed if there are significant changes to the Company's strategy, operations, performance or management.

The Chairman is responsible for the leadership, effectiveness conduct and governance of the Board while the Group Managing Director is responsible for the development and implementation of strategy, and managing the day-to-day operations of the Group.

#### 4.3.1 The Chairman

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

- the Chairman will preside at all Board Meetings, unless he so delegates to another Senior Director with the consent of the other Board members;
- monitor the workings of the Board, especially the conduct of Board Meetings;
- ensure that all relevant issues for the effective running of the Company's business are on the agenda;
- ensure that quality information to facilitate decision-making is delivered to Board members on a timely basis;
- encourage all Directors to play an active role in Board activities;
- chair general meetings of shareholders;
- liaise with the Group Managing Director and the Company Secretaries on the agenda for Board Meetings;
- act as facilitator at Board Meetings to ensure that no member, whether executive or non-executive, dominates discussion, that appropriate discussion takes place and that relevant opinion amongst members is forthcoming. The Chairman will ensure that the discussions result in logical and understandable outcome; and
- between Board Meetings, the Chairman shall maintain an informal link between the Board and the Group Managing Director. The Chairman shall be kept informed by the Group Managing Director on all important matters affecting the Company.

#### 4.3.2 Group Managing Director

The Board will link the Company's governance and management functions through the Group Managing Director.

The responsibilities of the Group Managing Directors, amongst others, are as follows:-

- to run the business, to implement the policies and strategies adopted by the Board and to report accordingly to the Board as a whole on the same;
- supervise and control the general management and operation of the Group;
- accountable to the Board for the achievement of the Company's goals and for the observance of the Management's limitations;

- not to cause or permit any practice, activity or decision that is contrary to commonly accepted good business practice or professional ethics and not to cause or permit any action that does not take into account the health, safety, environmental and political consequences and their effect on long-term shareholder value;
- is expected to ensure that the assets of the Company are adequately maintained and protected, and not unnecessarily placed at risk. The Company must be operated with a comprehensive system of internal control, and assets or funds must not be received, processed or disbursed without controls that, as a minimum, are sufficient to meet standards consistent with the Company's risk management policies and processes and that are acceptable to the Company's external auditors. In managing the risks of the Company, the Group Managing Director is expected not to cause or permit anyone to substitute their own risk preferences for those of the shareholders as a whole;
- is expected not to permit employees and other parties working for the Company to be subjected to treatment or conditions that are undignified, inequitable, unfair or unsafe;
- responsible for ensuring the integrity and effectiveness of the corporate governance process of the Board;
- ensure that the contents and order of the agenda for Board Meetings are appropriate and that the members of the Board have the relevant Board papers in good time. The Group Managing Director must also ensure that the Board members are properly briefed on issues arising at Board Meetings and that all available information on an issue is tabled before the Board, for deliberation; and
- oversee all operational matters and will consult with the other Board members on any matter of concern that warrants the attention of the Board.

All Board authority conferred on Management is delegated through the Group Managing Director, so that the authority and accountability of Management is considered to be the authority and accountability of the Group Managing Director in so far as the Board is concerned.

#### **4.4 Board Committees**

The Board is authorised to form committees and Board Committees will be formed only when it is efficient or necessary to facilitate efficient decision-making to assist the Board in the execution of its duties, powers and authorities. Each Board Committee's role should be spelt out in written terms of reference approved by the Board.

Delegating authority to Board Committees or the Management of the Company does not in any way mitigate or dissipate the discharge by the Board of their duties and responsibilities and should be subject to the following: -

- delegated authority in accordance with the Company's Constitution;
- clearly established terms of reference, defining their responsibilities and authority, which are approved by the Board;

- the Board must supervise its delegation; and
- the Board must not merely adopt or rely on Board Committee's recommendations without proper assessment and testing or challenging the same.

There shall be transparency and full disclosure from the Board Committees to the Board, except where the Committee has been mandated otherwise by the Board.

Board Committees will observe the same rules of conduct and procedures as the Board, unless the Board determines otherwise.

Board Committees will only speak or act for the Board when so authorised.

Each Board Committee has an obligation to report on its meeting to the Board and Minutes of Meeting of all Board Committees are made available to the Board.

The following are the Company's existing Board Committees: -

- a. Audit Committee;
- b. Remuneration Committee; and
- c. Nomination Committee.

## **4.5 Board Meetings**

Board members will use their best endeavours to attend the Board Meetings and to prepare themselves thoroughly. Board members are expected to participate fully, frankly and constructively in Board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the boardroom. Board members who are unable to attend the Board Meetings shall accordingly advise the Chairman, Group Managing Director and/or the Company Secretaries on the same.

### **4.5.1 Frequency and quorum**

Board Meetings will be held at such time and at such venue as the Board deems appropriate, but it will normally meet at least quarterly or more frequently, where necessary.

The quorum necessary for the transaction of business is fixed by the Company's Constitution which currently is two (2).

In addition to the matters set out in this Board Charter, Meetings and proceedings of the Board will be governed by the Company's Constitution.

Except under exceptional circumstances, at least seven days' notice will be given of a Board Meeting.

The Chairman must establish standards for the preparation of Board papers and reports for the Board Meetings.

#### 4.5.2 Agenda and meeting papers

The Chairman must ensure that an agenda is carefully prepared prior to the Board Meeting, raising issues that require attention, ensuring that proceedings are conducted efficiently and all appropriate matters are addressed accordingly to enhance the Board's productivity and strengthen its strategic and supervisory role. The Company Secretaries must work with the Chairman and the Group Managing Director on preparing the agenda for the Board Meeting.

The Company Secretaries must circulate the Notice and agenda for the Board Meeting at least seven (7) days before the date of the Board Meeting. Board papers must be circulated to the Board members at least two (2) working days before the date of the Board Meeting.

Meeting papers and/or Board reports presented at Board Meetings should be clear, concise and meaningful.

#### 4.5.3 Conflict of Interest

Board members are required to inform the Board of conflicts or potential conflicts of interest they may have in relation to particular items of business transacted by the Group or the Company.

Board members are required to disclose their shareholdings in the Company, other directorships and any potential conflicts of interest.

Board members should abstain themselves from discussion or decisions on matters in which they have a conflicting interest. They may also be required to leave the boardroom or meeting room during the discussion or decision making by the Board on matters in which the interested Directors have a conflicting interest.

#### 4.5.4 Retention of meeting papers

A record of Board submissions and papers, and of material presented to the Board, shall be maintained and kept by the Company Secretaries together with the Minutes of Board Meetings and will be accessible to the Directors, upon request.

#### 4.5.5 Minutes

Minutes of the previous Board Meeting, together with the Board papers, will be circulated to all members of the Board by the Company Secretaries at least two (2) working days before the date of the Board Meeting.

The practice for Minutes taking shall be to record the processes and outcomes, rather than the course of discussion.

#### 4.5.6 Confidentiality

All proceedings of the Board, including papers submitted and presentations made to the Board, shall be kept confidential and will not be disclosed or released to any person other than the Board Members, except as required by law or as agreed by the Board.

### 4.6 **Directors' Remuneration**

The Board, as a whole, will determine the level of remuneration paid to its Directors.

The level and make-up of remuneration should be robust, effective and sufficient enough to:-

- attract and retain the Board members needed to run the Company successfully, but the Company should avoid paying more than is necessary for this purpose;
- motivating and creating incentives for Directors to perform at their best ; and
- focussing attention on the achievement of desired goals and objectives.

The component parts of remuneration should be structured so as to link reward to corporate and individual performance, in the case of Executive Directors.

In the case of Non-Executive Directors, the level of remuneration should reflect the experience and level of responsibilities undertaken by the particular Non-Executive Director concerned.

Non-Executive Directors receive neither share options nor significant benefits from the Company, other than their allowances and fees, which will be paid as follows:

- Directors' fees;
- additional remuneration (an extra fee) as Chairman of the Audit Committee;
- meeting allowance for attendance at Board Meetings, Audit Committee Meetings, general meetings and other committee meetings as approved by the Board from time to time.

The remuneration framework will be reviewed by the Board and the Remuneration Committee will recommend the remuneration for the Executive Directors.

Executive members will receive no fees but will be paid as full-time employees of the Company.

A formal and transparent procedure must be established for developing the policy on executive remuneration and for fixing the remuneration packages of individual Board members.

No Board member, whether executive or non-executive, will be involved in deciding his own remuneration.

The Board should report to the shareholders on the Directors' remuneration and this should be included in the annual report.

### 4.7 **Board Governance**

#### 4.7.1 Board procedures

The conduct of Board members will be consistent with their duties and responsibilities to the Company and its shareholders.

The Directors will always act within the limitations imposed by the Board on its activities.

The Directors' responsibilities and limitations are primarily set out in the Company's Constitution, the Companies Act, 2016, the Main Market Listing Requirements of Bursa Securities and the Board's and/or shareholders' resolutions.

The Board shall be disciplined in carrying out its role, with emphasis on strategic issues and policy matters.

The Board's discussions will be open and constructive. The Chairman will seek a consensus in the Board but may, where considered necessary, call for a vote. Discussions and records will remain confidential unless there is a specific direction from the Board to the contrary.

The Board has sole authority over its agenda for Board Meetings. However, any Board member may request for addition of an item in the agenda.

The Board members are entitled to have access, at reasonable times, to all relevant Company information and to Senior Management of the Company to assist them in the discharge of their duties and responsibilities to enable them to make informed decisions.

The Board members are expected to strictly observe the provisions of the statutes applicable to the use and confidentiality of the Company information.

At each Board Meeting, the Board shall, *inter alia*, consider:

- Minutes of Meetings of the Board Committees;
- operational and financial performance reports;
- any changes to the Group's corporate strategies ;
- environmental issues directly affecting the Group's operations; and
- major issues and strategic opportunities for the Company.

Written Board Resolutions: -

- are not to be forwarded to Directors until it is approved and signed by the Group Managing Director;
- are to be sent to all Directors of the Company who are entitled to attend and to vote at a Board Meeting;
- are not to be implemented if any Director advises that they have any reservations about the proposed Resolutions (in which case the matter is to be considered at the next Board Meeting); and are not to be implemented until:
  - i. approved by a majority of the Board Members; or
  - ii. if the Chairman considers it appropriate, assented to by a majority of its Directors.

There will be a procedure agreed by the Board that in furtherance of their duties; they may seek independent professional advice, if necessary, at the Company's expense.

The Board will periodically or as deem necessary :

- review and evaluate the present and future strengths, weaknesses and opportunities in respect of the Company. Comparisons with competitors, locally and internationally, and best practices are important elements of this process;
- review this Charter and approve any required amendments including those required to be complied with by the Company under the Malaysian Code on Corporate Governance;
- review and approve the Company's financial objectives, plans and actions and significant allocation and expenditure;
- review the Company's goals and the strategies for achieving the Company's goals;
- approve the unaudited quarterly financial results, annual financial results, annual report, other reports to shareholders and public announcements;
- consider and, if appropriate, declare or recommend the payment of dividends;
- review the Board's composition, structure and succession;
- review the Company's audit requirements;
- review the performance of, necessity for and the composition of the Board Committees;
- review the Directors' remuneration;
- review the risk assessment policies and controls, including compliance with the legal and regulatory requirements;
- review the Company's code of conduct and ethical standards;
- review shareholder, customer and investor relations;
- review donations and sponsorships; and
- review such other matters as may be determined from time to time.

#### **4.8 Board Evaluation and Performance**

The Nomination Committee evaluates the performance of the Board as a whole on an annual basis.

This shall take the form of a questionnaire comprising a self-evaluation of the Board as a whole, and the responses will be collected and collated by the Company Secretaries, on behalf of the Nomination Committee. The Nomination Committee, upon discussion of the results, will present the findings to the Board.

The Board Committees shall also regularly be reviewed by the Board to ascertain their performance and effectiveness.

#### **4.9 Directors' Training & Continuing Education**

In addition to the Mandatory Accreditation Programme as required by 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.

The Board through the Nomination Committee shall assess the training needs of the Directors from time to time.



## **5. BOARD'S RELATIONSHIP WITH SHAREHOLDERS**

The Board must endeavour to familiarise itself with issues of concern to the Company's shareholders.

The Company encourages its shareholders to attend its Annual General Meetings/Extraordinary General Meetings, which provide opportunities for the shareholders to put forth questions on the Company's business and affairs to the Board.

The Board will evaluate economic, political, social and legal issues on a regular basis, as well as any other relevant external matters that may influence or affect the development of the business of the Company or the interests of the shareholders and, if necessary, take outside expert advice.

## **6. MANAGEMENT OF RISKS**

The Board is responsible for the total process of risk management and has endorsed an ongoing risk management and internal control framework which is applied continuously through the financial year to determine, evaluate and manage the significant risks of the Group.

The objective of risk management is to identify, assess, manage and monitor the risks to which the business is exposed, both internally and externally.

The Board must appreciate the business risk issues and key performance indicators affecting the ability of the Company to achieve its strategic purpose and objectives.

The Board must ensure that appropriate systems are in place to manage the identified risks, measure the impact and to proactively manage it, so that the Company's assets and reputation are adequately protected.

The process is regularly reviewed by the Board through the Audit Committee and is in accordance with the Guidance as contained in the 'Statement on Internal Control – Guidance for Directors of Public Listed Companies'.

## **7. SHARE DEALINGS BY MEMBERS**

Board members are encouraged to hold shares in the Company, recognising that this has the capacity, in many cases, to increase the focus of Board members on the Company's performance and share value and therefore, will be in the interests of all shareholders.

When buying or selling shares, Board members must strictly observe the provisions of the Company's Constitution, Bursa Securities' Main Market Listing Requirements and all relevant legislative or regulatory procedures, and should follow any procedural recommendations prescribed by the Board, from time to time.

## **8. COMPANY SECRETARIES**

The Company Secretaries have a key role to play in ensuring that Board procedures are both followed and reviewed regularly, and have the responsibility in law to ensure that each Board member is made aware of and provided with guidance as to their duties, responsibilities and powers.

It is the responsibility of the Board, and in its own best interests, to ensure that the Company Secretaries remain competent to fulfil the function for which they have been appointed. In this respect, the appointment and removal of the Company Secretaries are matters for the Board to consider as a whole.

The Company Secretaries are responsible for ensuring that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and all matters associated with its efficient operation are maintained.

The Company Secretaries must ensure the safekeeping and maintenance of statutory books and corporate documentation of the Olympia Group in accordance with legal requirements.

In addition to the statutory duties, the Company Secretaries must provide the Board as a whole and the Board members individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company.

The Company Secretaries should provide a central source of guidance and advice to the Board and its committees on issues including compliance with the rules and procedures and statutory regulations.

The Company Secretaries must keep abreast of, and inform, the Board of current developments in the regulatory framework and governance practices.

The Board members have unlimited access to the services of the Company Secretaries.